

## Exhibit Lot 3

Lot 3 RP6102E055561A				
Exhibit Lot 3	Pages included 1-6			
Improvements	Year Built	SqFt	Property Type	Depreciated Cost [Age-life]
Emerson	1988	17296	Admin Bldg	946,826
Pond, Sauna	2003	196	Other/bunkhouse	8,400
Camelot	1987	2450	Dorm Bldg	178,595
Septic Field	NA	NA	NA	0
Walden	1986	2092	Dorm Bldg	73,187
	Land Appraisal Included		Land	425,000
Total Land and Improvements		Total		1,632,008
<p>The Age-life Method— This method is the simplest and most common method of estimating depreciation. The appraiser estimates the total age, effective age, and remaining life of the improvements. (See attached worksheets)</p>				

Borrower	n/a	File No.				
Property Address	Boulder Creek Lot 3					
City	Bonnors Ferry	County	Boundary	State	ID	Zip Code 83805
Lender/Client	Paul Ware					

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File No.

**Description of Subject Property:**

Lot 3 is located on the north and northeast corner of the existing parcel. The shape is an elongated rectangle, consisting of 19.89 acres. There is a large pond on the eastern portion, and it is currently zoned Agricultural/Forestry.

The buildings on this parcel include Emerson, a large, three-level office building with large gravel parking area, and a structure next to the pond which includes a large deck, covered porch, and sauna. There are two dorm buildings, known as Camelot and Walden. Per aerial maps, Brush Creek is on the eastern portion of the site. There are also some basketball courts. The view to the north is open pasture with the mountains beyond.

Currently the access is via Emerson Lane.

The amenities that add immediate, functional appeal for residential use include the structure on the pond, and the pond itself. The Walden building may lend itself to remodeling into a single family residence. Remodeling costs are not included in the scope of the work for this report.

This report is developed under the hypothesis that this lot will have legal access, water service from the community water system (which is currently providing water to all the buildings on the parent parcel), and either a septic system or a community sewer system.

After analysis of sales of 15 to 30-acre parcels in the market area, and considering the active listings currently on the market, the estimate of value of Lot 1 to be **\$465,000**. **This estimate is for the land only. The value of the buildings is not included in this amount; the description of the buildings, as well as the building costs (less depreciation) are included in an addendum in this report.**

# LAND APPRAISAL REPORT

File No.:

Property Address: **Boulder Creek Lot 3** City: **Bonnors Ferry** State: **ID** Zip Code: **83805**

County: **Boundary** Legal Description: **N2SW4, NW4SE4, Section 5 T61N R2E (parent parcel). Individual parcel numbers, taxes, or special assessments have not yet been determined.**

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Assessor's Parcel #: **RP61N02E055561A (parent parcel)** Tax Year: **n/a** R.E. Taxes: \$ **n/a** Special Assessments: \$ **n/a**

Market Area Name: **Boundary County & north Bonner County** Map Reference: \_\_\_\_\_ Census Tract: \_\_\_\_\_

Current Owner of Record: **UHS of Kootenai River** Borrower (if applicable): **n/a**

Project Type (if applicable):  PUD  De Minimis PUD  Other (describe) \_\_\_\_\_ HOA: \$ \_\_\_\_\_ per year  per month

Are there any existing improvements to the property?  No  Yes If Yes, indicate current occupancy:  Owner  Tenant  Vacant  Not habitable

If Yes, give a brief description: **See attached addendum**

The purpose of this appraisal is to develop an opinion of:  Market Value (as defined), or  other type of value (describe) \_\_\_\_\_

This report reflects the following value (if not Current, see comments):  Current (the Inspection Date is the Effective Date)  Retrospective  Prospective

Property Rights Appraised:  Fee Simple  Leasehold  Leased Fee  Other (describe) \_\_\_\_\_

Intended Use: **The intended use is to determine a marketing price point for potential sale. The intended user is Paul Ware; no other users are intended. This report is confidential and can only be divulged or discussed with the intended user.**

Intended User(s) (by name or type): **Paul Ware**

Client: **Paul Ware** Address: **21606 Alderbrook Ln, Mount Vernon, WA 98274**

Appraiser: **Ellen Rice Ziska** Address: **618 S Division Ave, Sandpoint, ID 83864**

Characteristics		Predominant Occupancy	One-Unit Housing	Present Land Use	Change in Land Use
Location:	<input type="checkbox"/> Urban <input type="checkbox"/> Suburban <input checked="" type="checkbox"/> Rural	<input checked="" type="checkbox"/> Owner	PRICE \$(000)	One-Unit 50%	<input type="checkbox"/> Not Likely
Built up:	<input type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input checked="" type="checkbox"/> Under 25%	<input type="checkbox"/> Tenant	AGE (yrs)	2-4 Unit 5%	<input type="checkbox"/> Likely * <input checked="" type="checkbox"/> In Process *
Growth rate:	<input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	<input type="checkbox"/> Vacant (0-5%)	145 Low 0	Multi-Unit 5%	* To: <b>Rural residential</b>
Property values:	<input checked="" type="checkbox"/> Increasing <input type="checkbox"/> Stable <input type="checkbox"/> Declining	<input type="checkbox"/> Vacant (>5%)	2,450 High 100	Comm'l 5%	
Demand/supply:	<input checked="" type="checkbox"/> Shortage <input type="checkbox"/> In Balance <input type="checkbox"/> Over Supply		450 Pred 20	Ag/Forest 35%	
Marketing time:	<input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.				

Factors Affecting Marketability											
Item	Good	Average	Fair	Poor	N/A	Item	Good	Average	Fair	Poor	N/A
Employment Stability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Adequacy of Utilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequacy of Public Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recreational Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Appeal to Market	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Market Area Comments: **See attached addenda.**

Dimensions: **multiple, see attached plat map.** Site Area: **19.83**

Zoning Classification: **Ag/Forestry** Description: **Agricultural/Forestry, residential use permitted within required setbacks.**

Do present improvements comply with existing zoning requirements?  Yes  No  No Improvements

Uses allowed under current zoning: **Agricultural, forestry, single family residential**

Are CC&Rs applicable?  Yes  No  Unknown Have the documents been reviewed?  Yes  No Ground Rent (if applicable) \$ \_\_\_\_\_ / \_\_\_\_\_

Comments:

Highest & Best Use as improved:  Present use, or  Other use (explain) **Residential usage is allowed; commercial usage is also allowed for many uses; see Boundary County Planning & Zoning for complete information.**

Actual Use as of Effective Date: **School** Use as appraised in this report: **Residential**

Summary of Highest & Best Use: **Current usage of the property is legal, physically possible, appropriately supported, financially feasible, but may not result in the highest value. Highest and best use, as surveyed, is Single Family residential. Zoning, as surveyed, has not been determined. The appraiser is does not warrant any part or whole of the subject property, environmental conditions or other conditions that would require the expertise of a licensed professional.**

Utilities	Public	Other	Provider/Description	Off-site Improvements	Type	Public	Private	Frontage	
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Street	<b>gravel</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Topography	<b>to be determined</b>
Gas	<input type="checkbox"/>	<input type="checkbox"/>	<b>none</b>	Width	<b>typical/30'</b>			Size	<b>mainly level</b>
Water	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<b>To be community</b>	Surface	<b>gravel</b>			Shape	<b>typical for area</b>
Sanitary Sewer	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<b>To be community</b>	Curb/Gutter	<b>none</b>	<input type="checkbox"/>	<input type="checkbox"/>	Drainage	<b>long rectangle</b>
Storm Sewer	<input type="checkbox"/>	<input type="checkbox"/>	<b>n/a</b>	Sidewalk	<b>none</b>	<input type="checkbox"/>	<input type="checkbox"/>	View	<b>appears adequate</b>
Telephone	<input type="checkbox"/>	<input type="checkbox"/>	<b>on site</b>	Street Lights	<b>none</b>	<input type="checkbox"/>	<input type="checkbox"/>		<b>Good/pastoral/pond/mtns</b>
Multimedia	<input type="checkbox"/>	<input type="checkbox"/>	<b>n/a</b>	Alley	<b>none</b>	<input type="checkbox"/>	<input type="checkbox"/>		

Other site elements:  Inside Lot  Corner Lot  Cul de Sac  Underground Utilities  Other (describe) **fire hydrants, water system, leach field**

FEMA Spec'l Flood Hazard Area  Yes  No FEMA Flood Zone \_\_\_\_\_ FEMA Map # \_\_\_\_\_ FEMA Map Date \_\_\_\_\_

Site Comments: **See attached Description of Subject Property.**



# LAND APPRAISAL REPORT

File No.:

My research  did  did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

TRANSFER HISTORY

Data Source(s):

1st Prior Subject Sale/Transfer	Analysis of sale/transfer history and/or any current agreement of sale/listing:
Date:	
Price:	
Source(s):	
2nd Prior Subject Sale/Transfer	
Date:	
Price:	
Source(s):	

SALES COMPARISON APPROACH

FEATURE	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	Boulder Creek Lot 3 Bonners Ferry, ID 83805	Nna Katka Rd Bonners Ferry, ID 83805	Nna Lions Den & Snow Creek Rd Bonners Ferry, ID 83805	Nna Maas Loop Moyie Springs, ID 83845
Proximity to Subject		5.81 miles E	7.83 miles W	5.39 miles NE
Sale Price	\$	\$ 459,000	\$ 480,000	\$ 425,000
Price/	\$	\$ 27,517.99	\$ 23,414.63	\$ 23,287.67
Data Source(s)	Inspection	MLS#21-4302 DOM: 183	MLS#2021577 DOM: 217	MLS#21-1376 DOM: 128
Verification Source(s)	Assessor	Assessor	Assessor	Assessor
VALUE ADJUSTMENT	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Sales or Financing		Cash	Conventional	Cash
Concessions		none	none	none
Date of Sale/Time		11/21/2021	01/14/2022	07/02/2021
Rights Appraised	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Location	Average	Average	Average	Average
Site Area	19.83	16.68	20.5	18.25
View	Pastoral/pond/mtns	Panoramic/River	Mtns/Snow Creek	Mountains
Utilities	Comm wtr/septic	elec at road	Shop building	none
		-23,000	+12,000	+30,000
Net Adjustment (Total, in \$)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 7,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 12,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 30,000
Adjusted Sale Price (in \$)		Net 1.5 % Gross 11.5 % \$ 466,000	Net 2.5 % Gross 2.5 % \$ 492,000	Net 7.1 % Gross 7.1 % \$ 455,000

Summary of Sales Comparison Approach Sale 1, on Katka Rd, has a panoramic view of the Kootenai River, but no well or septic system. Per Realtor, there is phone and power at the road and the road is paved. This is superior to the subject, and adjustments were applied as indicated by the market. Sale 2, on the corner of Lion's Den and Snow Creek Rd, has a year-round creek as well as a shop building and is very similar in size to the subject. Sale 3, on Maas Loop, was used as agricultural land and has no well, water hookup, or septic, and has mountain views. (continued on additional comparable page)...

PUD

PROJECT INFORMATION FOR PUDs (if applicable)  The Subject is part of a Planned Unit Development.

Legal Name of Project:

Describe common elements and recreational facilities:

RECONCILIATION

Indicated Value by: Sales Comparison Approach \$ 465,000

Final Reconciliation The data resulted in a well defined range of indicated values; considering the amenities of the site it is deemed to fall in the mid range of the adjusted sales.

This appraisal is made  "as is", or  subject to the following conditions: Subject to recordation of surveyed parcels, Water & septic systems to be in place, as well as legal access and/or easements in place, and these parcels will comply with zoning requirements. This is a Hypothetical Condition. Should any of these conditions NOT be met, the value could be substantially affected.

This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.

Based upon an inspection of the subject property, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 465,000, as of: 06/09/2022, which is the effective date of this appraisal.

If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.

ATTACH.

A true and complete copy of this report contains 27 pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report, which contains the following attached exhibits:  Scope of Work

Limiting cond./Certifications  Narrative Addendum  Location Map(s)  Flood Addendum  Additional Sales

Photo Addenda  Parcel Map  Hypothetical Conditions  Extraordinary Assumptions

SIGNATURES

Client Contact: waresuzanne@gmail.com Address: 21606 Alderbrook Ln, Mount Vernon, WA 98274 Client Name: Paul Ware

APPRaiser: Ellen Rice Ziska  
 Appraiser Name: Ellen Rice Ziska  
 Company: Aspenwood Appraisal LLC  
 Phone: (208) 263-1777 Fax: \_\_\_\_\_  
 E-Mail: aspenwood07@gmail.com  
 Date of Report (Signature): 08/17/2022  
 License or Certification #: CRA-1573 State: ID  
 Designation: \_\_\_\_\_  
 Expiration Date of License or Certification: 11/12/2022  
 Inspection of Subject:  Did Inspect  Did Not Inspect (Desktop)  
 Date of Inspection: 06/09/2022

SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable): Jeff Hurt  
 Supervisory or Co-Appraiser Name: Jeff Hurt  
 Company: Aspenwood Appraisal LLC  
 Phone: 208-263-1777 Fax: \_\_\_\_\_  
 E-Mail: aspenwood07@gmail.com  
 Date of Report (Signature): 08/17/2022  
 License or Certification #: CRA-4858 State: ID  
 Designation: \_\_\_\_\_  
 Expiration Date of License or Certification: 01/22/2023  
 Inspection of Subject:  Did Inspect  Did Not Inspect  
 Date of Inspection: 06/09/2022



# ADDITIONAL COMPARABLE SALES

File No.:

FEATURE	SUBJECT PROPERTY	COMPARABLE NO. 4		COMPARABLE NO. 5		COMPARABLE NO. 6	
Address	Boulder Creek Lot 3 Bonners Ferry, ID 83805	Nna Paradise Valley Rd Bonners Ferry, ID 83805		594 Black Mountain Rd Bonners Ferry, ID 83805		Nna Ginger Ln Bonners Ferry, ID 83805	
Proximity to Subject		3.11 miles S		4.68 miles S		7.28 miles NW	
Sale Price	\$	\$ 620,000		\$ 450,000		\$ 497,000	
Price/	\$	\$ 13,463.63		\$ 26,193.25		\$ 24,850.00	
Data Source(s)	Inspection	MLS#21-7605, DOM: 133		MLS#22-4546, DOM: 24		MLS#22-3937 DOM: 35	
Verification Source(s)	Assessor	Assessor		Assessor		Assessor	
VALUE ADJUSTMENT	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust
Sales or Financing		Cash		Active Listing		Active Listing	
Concessions		none		DOM: 24		DOM: 35	
Date of Sale/Time		12/06/2021		n/a		n/a	
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Location	Average	Average		Average		Average	
Site Area	19.83	46.05	-156,700	17.18		20.0	
View	Pastoral/pond/mtns	Mountains		Mountains		distant river	-24,900
Utilities	Comm wtr/septic	Comm Hookup	+7,000	Elec,septic	+10,000	none	+30,000
Net Adjustment (Total, in \$)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -149,700	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 10,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 5,100
Adjusted Sale Price (in \$)		Net 24.1 %		Net 2.2 %		Net 1.0 %	
		Gross 26.4 %	\$ 470,300	Gross 2.2 %	\$ 460,000	Gross 11.0 %	\$ 502,100

Summary of Sales Comparison Approach

Sale #4, on Paradise Valley Rd, is fairly close in proximity but a much larger parcel; an adjustment was indicated. It has community water hookup (Cabinet Water System) but no septic system.

Comparable #5, on Black Mountain Rd, is an active listing, similar in size, views, and has some older farm buildings on site. There is a newer barn with electrical panel and a septic system; this has been on the market for just over 3 weeks. Active Listings are included as they are considered competition for the subject property.

Comparable #6, on Ginger Lane, also an active listing. It has distant river views, but is noted in the listing as off-grid, meaning there is no power nearby. There is no water or septic and an adjustment was applied. This has been on the market for just over a month. (continued on additional comparable page).

SALES COMPARISON APPROACH

# ADDITIONAL COMPARABLE SALES

File No.:

FEATURE	SUBJECT PROPERTY	COMPARABLE NO. 7	COMPARABLE NO. 8	COMPARABLE NO. 9
Address	Boulder Creek Lot 3 Bonners Ferry, ID 83805	Nna Camp Nine Rd Bonners Ferry, ID 83805		
Proximity to Subject		10.60 miles N		
Sale Price	\$	\$ 450,000	\$	\$
Price/	\$	\$ 22,500.00	\$	\$
Data Source(s) Verification Source(s)	Inspection Assessor	MLS#22-5135, DOM 10 Assessor		
VALUE ADJUSTMENT	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION
Sales or Financing Concessions		Active Listing DOM: 10		
Date of Sale/Time		n/a		
Rights Appraised	Fee Simple	Fee Simple		
Location	Average	Average		
Site Area	19.83	20.0		
View	Pastoral/pond/mtns	Mountains		
Utilities	Comm wtr/septic	none	+30,000	
Net Adjustment (Total, in \$)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 30,000	<input type="checkbox"/> + <input type="checkbox"/> - \$	<input type="checkbox"/> + <input type="checkbox"/> - \$
Adjusted Sale Price (in \$)		Net 6.7 % Gross 6.7 % \$ 480,000	Net % Gross % \$	Net % Gross % \$

Summary of Sales Comparison Approach Comparable #7 is on Camp Nine Rd, further north from the subject. It has a roughed in driveway and views of the mountains. Per realtor, it is about 5 miles to the intersection known as 3-mile and less than 9 miles to Bonners Ferry. This has only been on the market for 10 days.

The data resulted in a well-defined range of values. Considering all the amenities of the site, and giving weight to the closed sales, and considering the active listings, the estimate of value for the subject property is **\$465,000**.

SALES COMPARISON APPROACH

**Supplemental Addendum**

File No.

Borrower	n/a					
Property Address	Boulder Creek Lot 3					
City	Bonnerr Ferry	County	Boundary	State	ID	Zip Code 83805
Lender/Client	Paul Ware					

Market Area - Comments

Subject is located in Boundary County, the northernmost county in Idaho, which lies at the top of the "Idaho Panhandle," almost exactly between 48 and 49 degrees latitude and between 116 and 117 degrees longitude. On its east side, the county borders Montana. Along the northern border is British Columbia, Canada, to the west is the state of Washington, and to the south lies Bonner County, Idaho. Steep mountains and two major rivers dominate the landscape of the county. Interstate 95, a main North South Highway, runs down the center of the county with a narrow rural residential corridor that is bordered on the east and west by National Forest lands and tall mountain ranges. To the west, the Selkirk Mountains rise to elevations of more than 6000 feet. To the east, the Purcell Mountains lie on the boundary with Montana. There is some basic employment and services in the small communities along this transportation corridor, and approximately 80% of the population lives within 3 miles of the corridor. The majority of local employment is of small service related businesses for the recreation, logging and transportation systems in the area.

Boundary County is a unique area encompassing close to 1,278 square miles with a population of approximately 11,948 residents. Within this market area there is a large variety of property types. These can include home sites and farms of all acreage sizes, timber holdings and vacant land in the rural areas. There are waterfront properties as well as off-grid cabins. Manufactured homes and tract housing, as well as modest cabins and shop houses to very high end, ultra custom homes are available for the broad financial base of the population. The high quality housing can be found adjacent to more modest housing types with no discernable impact on marketability or values. This is not a homogenous market. As a result, there are very few arm's length sales in any given segment of the market, and they are often not located in close proximity to each other. The geographical market area is larger than would be typical in urban areas or homogenous market areas due to acreage and distance between neighborhoods.

At least 50% of the land in North Idaho is public forest land, separating the residential areas. Only 25% of the county is currently available for development.

The overall market in this area has been generally trending upwards over the last several years with a significant increase in the last 18 months. There is currently a lack of inventory in comparison with demand across the region. As demand climbs steadily higher, there has been a corresponding increase in asking prices. The majority of sales occur in the spring and summer and the median sales price typically peaks between July and September. There are few active listings or sales after October.

Cost Approach

Estimates the value of real estate by calculating the cost of replacing or reproducing a structure on the land, minus depreciation, plus site value. Value derived may not equal market value. Replacement Cost- the estimated cost to construct, as of the effective appraisal date, a building with equal utility to the building being appraised, using modern materials, building standards, design, and layout.

Functional Obsolescence

According to The Dictionary of Real Estate Appraisal, Fifth Edition, the term "functional obsolescence" is defined as "the impairment of functional capacity of a property according to market tastes and standards." In simpler terms, that definition essentially means that there is a reduction in the property's desirability, typically because of an outdated feature that cannot easily be altered or changed.

Cost Approach Summary regarding improvements

The cost breakdowns included in this report are not Market Value; the appraiser applied the Cost Approach, defined above. Due to lack of data, this was the only credible approach for giving any value to the structures on the subject property. As previously mentioned, the contributory value could only be estimated and is considered subjective in nature; the value is largely dependent on each potential buyer and their purposed, legal usage of the property. In most cases, the typical residential buyer may view the improvements adversely, due to the cost of razing or remodeling these specific-use buildings. This cannot be predicted. Some of the short-lived components, such as smaller sheds, paving, and the climbing wall are not included in this valuation. The contributory value of these items would be minimal.



### Subject Photo Page

Borrower	n/a						
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**Emerson Building**  
Boulder Creek Lot 3

building

Average

19.89 acres



**Emerson-east side**



**Emerson - north**

### Interior Photos

Borrower	n/a						
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**Emerson, rear**



**Emerson interior**



**interior**



**interior**



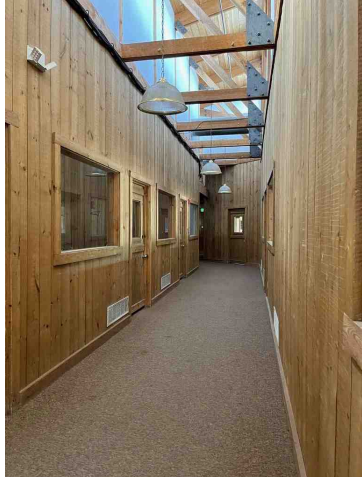
**interior**



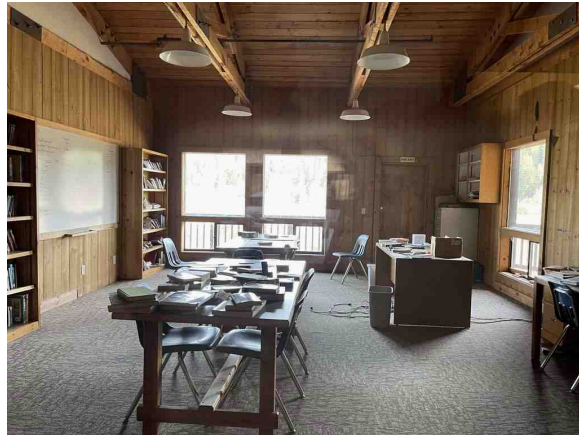
**Walden Building**

### Interior Photos

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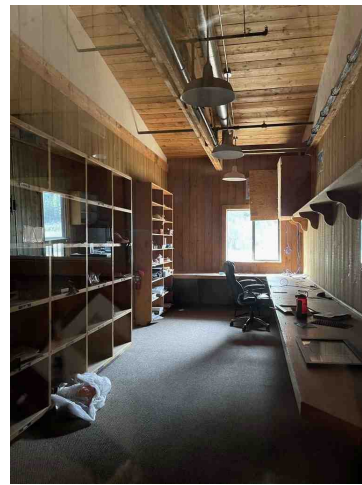
**Boulder Commons;  
cafeteria, classrooms above**



**interior**



**interior**



**interior**



**interior**



**interior**

### Interior Photos

Borrower	n/a						
Property Address	Boulder Creek Lot 3						
City	Bonnets Ferry	County	Boundary	State	ID	Zip Code	83805
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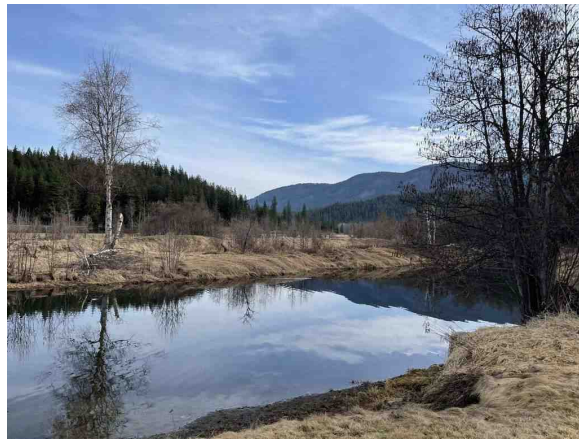
**pond, deck & sauna**



**pond shelter, sauna on left**



**pond**



**pond**

### Interior Photos

Borrower	n/a						
Property Address	Boulder Creek Lot 3						
City	Bonnors Ferry	County	Boundary	State	ID	Zip Code	83805
Lender/Client	Paul Ware						



**Camelot dormitory**



**Camelot, pond is visible beyond**



**Interior, lower level**



**Interior, main level**



**Walden building, front**



**Walden building, rear**

### Comparable Photo Page

Borrower	n/a						
Property Address	Boulder Creek Lot 3						
City	Bonnets Ferry	County	Boundary	State	ID	Zip Code	83805
Lender/Client	Paul Ware						



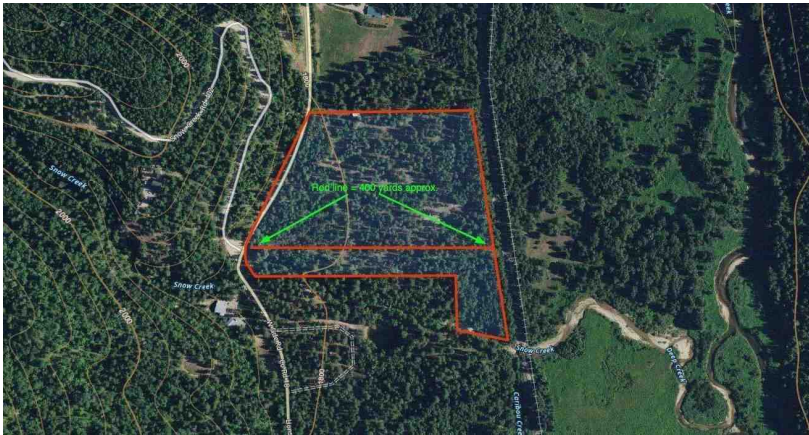
View from lot 1

#### Comparable 1

Nna Katka Rd  
 Proximity 5.81 miles E  
 Sale Price 459,000

Location Average  
 View  
 Site 16.68

photo from  
 CDA MLS system



#### Comparable 2

Nna Lions Den & Snow Creek R  
 Proximity 7.83 miles W  
 Sale Price 480,000

Location Average  
 View  
 Site 20.5

photo supplied  
 by CDA MLS  
 system



#### Comparable 3

Nna Maas Loop  
 Proximity 5.39 miles NE  
 Sale Price 425,000

Location Average  
 View  
 Site 18.25

photo supplied  
 by CDA MLS  
 system

### Comparable Photo Page

Borrower	n/a						
Property Address	Boulder Creek Lot 3						
City	Bonnors Ferry	County	Boundary	State	ID	Zip Code	83805
Lender/Client	Paul Ware						



#### Comparable 4

Nna Paradise Valley Rd  
 Proximity 3.11 miles S  
 Sale Price 620,000

Location Average  
 View  
 Site 46.05

photo supplied  
 by CDA MLS  
 system



#### Comparable 5

594 Black Mountain Rd  
 Proximity 4.68 miles S  
 Sale Price 450,000

Location Average  
 View  
 Site 17.18

photo supplied  
 by CDA MLS  
 system



#### Comparable 6

Nna Ginger Ln  
 Proximity 7.28 miles NW  
 Sale Price 497,000

Location Average  
 View  
 Site 20.0

photo supplied  
 by CDA MLS  
 system

## Comparable Photo Page

Borrower	n/a						
Property Address	Boulder Creek Lot 3						
City	Bonnets Ferry	County	Boundary	State	ID	Zip Code	83805
Lender/Client	Paul Ware						



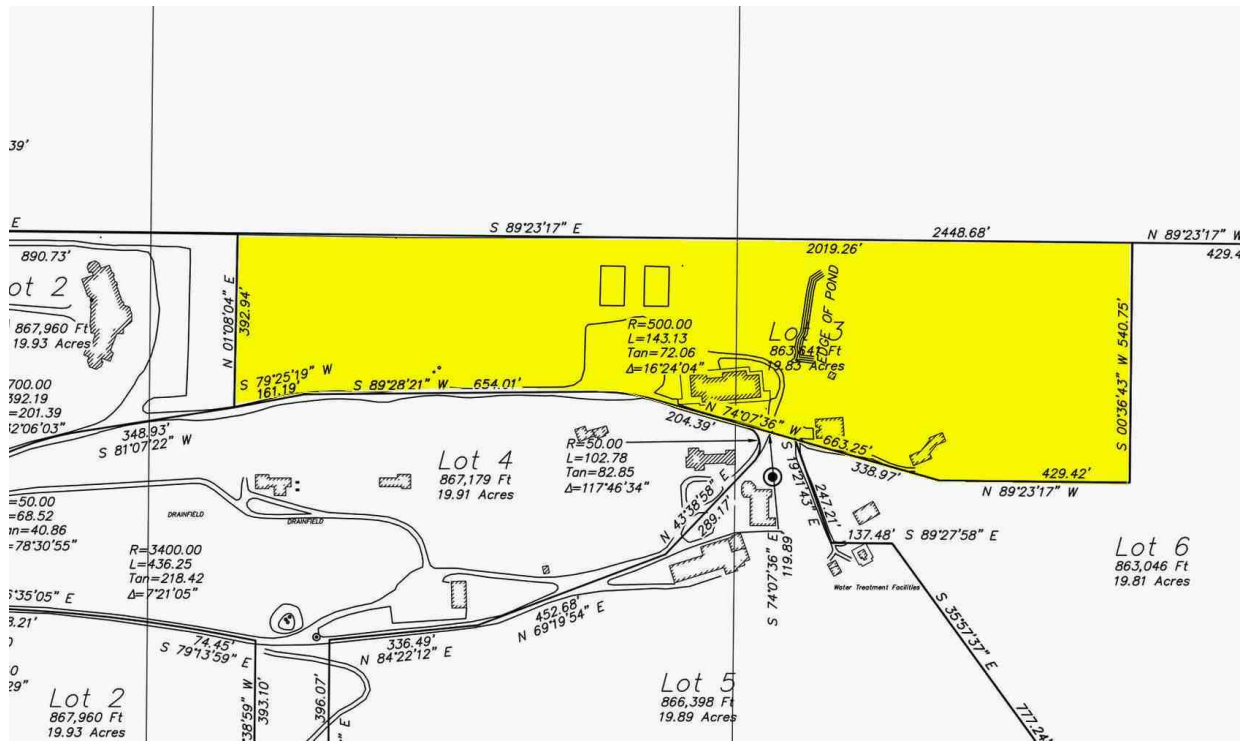
### Comparable 7

Nna Camp Nine Rd  
 Proximity 10.60 miles N  
 Sale Price 450,000  
 GLA  
 Total Rooms  
 Total Bedrms  
 Total Bathrms  
 Location Average  
 View  
 Site 20.0  
 Quality  
 Age

photo supplied  
 by CDA MLS  
 system



# Plat Map

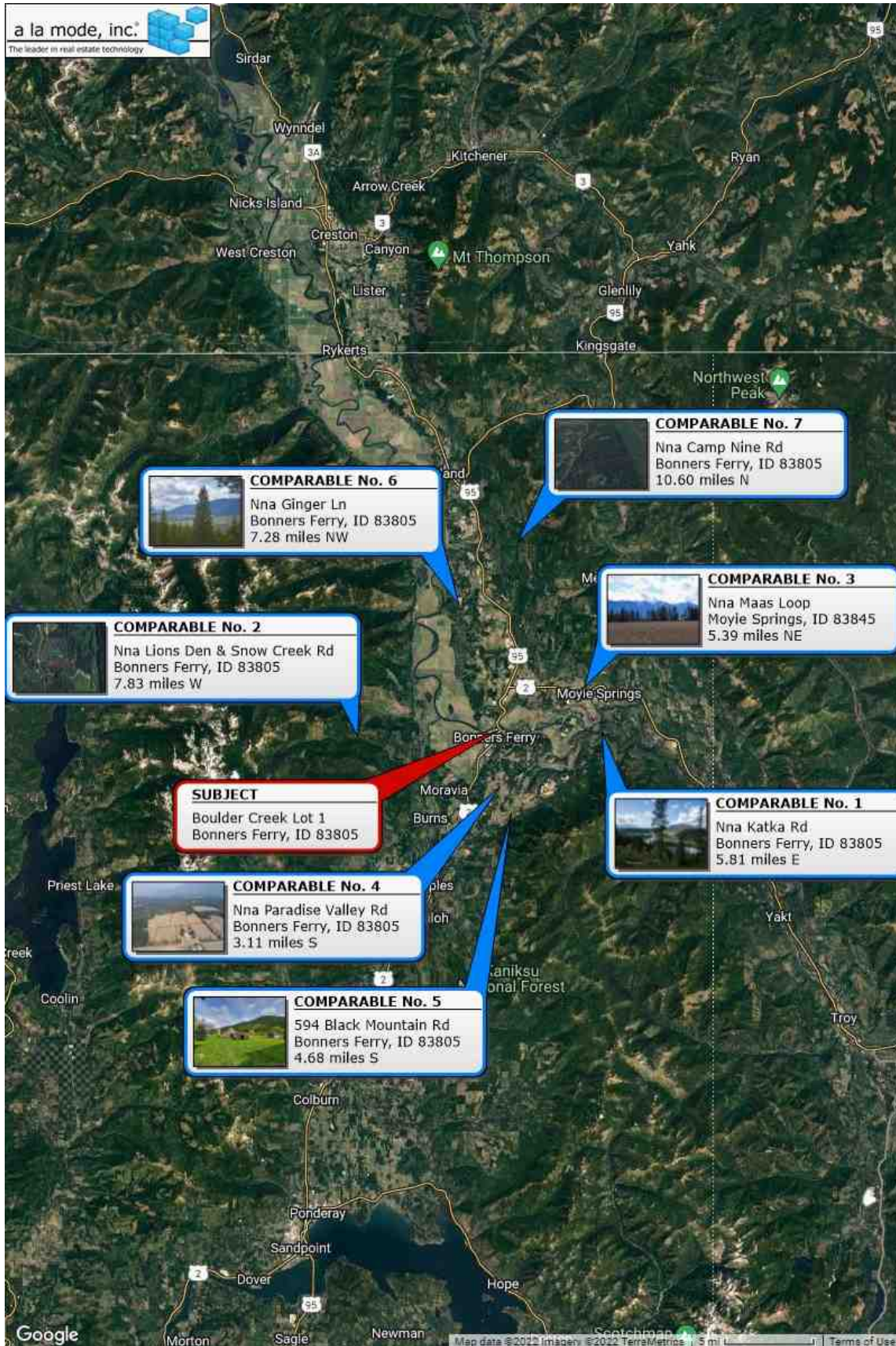


# Area Map



### Location Map

Borrower	n/a						
Property Address	Boulder Creek Lot 3						
City	Bonnerr's Ferry	County	Boundary	State	ID	Zip Code	83805
Lender/Client	Paul Ware						



File No:

F.I.R.R.E.A. Addendum

Borrower n/a  
 Property Address Boulder Creek Lot 3  
 City Bonnors Ferry County Boundary State ID Zip Code 83805  
 Lender/Client Paul Ware

Purpose of the Appraisal

The intended use is to determine a marketing price point for potential sale. The intended user is Paul Ware; no other users are intended. No part of this report can be shared or discussed with anyone other than the client, Paul Ware.

Scope of the Appraisal

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser has performed a complete visual inspection of the interior and exterior areas of the subject property, (2) inspected the neighborhood, (3) researched, verified and analyzed data from reliable public and/or private sources, and (4) reported her analysis, opinions, and conclusions in this appraisal report.

Report of the prior year sales history for the subject property

Is the subject property currently listed?  Yes  No List Price \$ \_\_\_\_\_  
 Has the property sold during the prior year?  Yes  No If yes, describe below:

Per client,

Marketing Time

What is your estimate of marketing time for the subject property? 3-6 months Describe below the basis (rationale) for your estimate:  
 Recent sales in the Boundary and northern Bonner County area of vacant acreages consisting of 15 to 30 acres indicate an average marketing time of 100 days; the shortest days on market was 16 days, and the longest was 248 days. However, due to the nature and function of some of the buildings on the lots, including Lot 1, marketing time may be increased due to potential buyers considering the utility of the buildings and the cost to raze or totally re-purpose these for residential purposes. A buyer may be interested in the lots and buildings as-is, but this would be a very small portion of the market.

Non-real property transfers

Does the transaction involve the transfer of personal property, fixtures, or intangibles that are not real property?  Yes  No  
 If yes, provide description and valuation below:

No personal property is included in the valuation of this property.

Additional Comments

is report is developed under the hypothesis that this lot will have legal access, water service from the community water system (which is currently providing water to all the buildings on the parent parcel), and a community sewer system. This is a hypothetical condition. If a community water system is NOT available, or community septic system is not included, this would substantially change the estimate of value.

Additional Certification

- The acceptance of this appraisal assignment by the appraiser was not based on a requested minimum valuation, a specified valuation, or an approval of the loan.
- The appraiser certifies that the compensation for this appraisal is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result of the occurrence of a subsequent event.
- This appraisal has been prepared to conform with the Uniform Standards of Professional Appraisal practice ("USPAP") adopted by the Appraisal Standards Board of the Appraisal foundation, except the Departure Provision, unless otherwise stated below.
- The appraiser has disclosed within this appraisal report, or below, all steps taken that were necessary or appropriate to comply with the Competency provision of the USPAP.

Date: 08/17/2022

Appraiser(s): Jeff Hurt  
*Ellen Rice Ziska*  
Ellen Rice Ziska

Date: 08/17/2022

Review Appraiser(s): Jeff Hurt  
*Jeff Hurt*  
Jeff Hurt

## Cost Breakdown Emerson

### CoreLogic - SwiftEstimator Commercial Estimator - Detailed Report

#### General Information

<b>Estimate ID:</b>	Emerson	<b>Date Created:</b>	6-14-2022
<b>Property Owner:</b>	Paul Ware	<b>Date Updated:</b>	
<b>Property Address:</b>	Bonnors Ferry, ID 83805	<b>Date Calculated:</b>	06-14-2022
<b>Local Multiplier:</b>	1.03	<b>Cost Data As Of:</b>	using report date
<b>Architects Fee:</b>		<b>Report Date:</b>	06-2022

#### Section 1

<b>Area</b>	17296	<b>Overall Depreciation %</b>	
<b>Stories in Section</b>	2	<b>Physical Depreciation %</b>	35
<b>Stories in Building</b>	2	<b>Functional Depreciation %</b>	40
<b>Shape</b>	irregular	<b>External Depreciation %</b>	
<b>Perimeter</b>	(auto-calc)		
<b>Effective Age</b>	20		

#### Occupancy Details

Occupancy	%	Class	Height	Quality
600 Administrative Office	100	D	10	2.5
<b>Occupancy Total Percentage</b>	100			

#### System : Sprinklers

	%/Units	Quality	Depr %	Other
683 Sprinklers : Wet Sprinklers	100	Occ.		
<b>Total Percent for Sprinklers:</b>	<b>100</b>			

	Units	Unit Cost	Total Cost New	Less Depreciation	Total Cost Depreciated
<b>Basic Structure</b>					
Base Cost	17,296	\$153.33	\$2,651,996	\$928,199	\$1,723,797
Exterior Walls	17,296	\$25.64	\$443,469	\$155,214	\$288,255
Heating & Cooling	17,296	\$34.55	\$597,577	\$209,152	\$388,425
Sprinklers	17,296	\$5.45	\$94,263	\$32,992	\$61,271
<b>Basic Structure Cost</b>	<b>17,296</b>	<b>\$218.97</b>	<b>\$3,787,305</b>	<b>\$1,325,557</b>	<b>\$2,461,748</b>
<b>Less Depreciation</b>					
Physical	35.0%			\$1,325,557	\$2,461,748
Functional	40.0%			\$1,514,922	\$946,826
<b>Depreciated Cost</b>	<b>17,296</b>	<b>\$54.74</b>		<b>\$2,840,479</b>	<b>\$946,826</b>

Cost data by CoreLogic, Inc.

\*\*\*Except for items and costs listed under ♦Addition Details,♦ this SwiftEstimator report has been produced utilizing current cost data and is in compliance with the Marshall & Swift Licensed User Certificate. This report authenticates the user as a current Marshall & Swift user.\*\*\*



## Cost Breakdown Camelot

### CoreLogic - SwiftEstimator Commercial Estimator - Detailed Report

#### General Information

<b>Estimate ID:</b>	Camelot Dorm Building	<b>Date Created:</b>	6-13-2022
<b>Property Owner:</b>	Paul Ware	<b>Date Updated:</b>	
<b>Property Address:</b>	Bonnors Ferry, ID 83805	<b>Date Calculated:</b>	06-13-2022
<b>Local Multiplier:</b>	1.03	<b>Cost Data As Of:</b>	using report date
<b>Architects Fee:</b>		<b>Report Date:</b>	06-2022

#### Section 1

<b>Area</b>	4900	<b>Overall Depreciation %</b>	
<b>Stories in Section</b>	2	<b>Physical Depreciation %</b>	35
<b>Stories in Building</b>		<b>Functional Depreciation %</b>	40
<b>Shape</b>	rectangular	<b>External Depreciation %</b>	
<b>Perimeter</b>	(auto-calc)		
<b>Effective Age</b>	30		

#### Occupancy Details

Occupancy	%	Class	Height	Quality
321 Dormitory	100	D	8	1.5
<b>Occupancy Total Percentage</b>	100			

	Units	Unit Cost	Total Cost New	Less Depreciation	Total Cost Depreciated
<b>Basic Structure</b>					
Base Cost	4,900	\$110.67	\$542,283	\$189,799	\$352,484
Exterior Walls	4,900	\$19.22	\$94,178	\$32,962	\$61,216
Heating & Cooling	4,900	\$15.82	\$77,518	\$27,131	\$50,387
<b>Basic Structure Cost</b>	<b>4,900</b>	<b>\$145.71</b>	<b>\$713,979</b>	<b>\$249,892</b>	<b>\$464,087</b>
<b>Less Depreciation</b>					
Physical	35.0%			\$249,892	\$464,087
Functional	40.0%			\$285,592	\$178,495
<b>Depreciated Cost</b>	<b>4,900</b>	<b>\$36.43</b>		<b>\$535,484</b>	<b>\$178,495</b>

Cost data by CoreLogic, Inc.

\*\*\*Except for items and costs listed under ♦Addition Details,♦ this SwiftEstimator report has been produced utilizing current cost data and is in compliance with the Marshall & Swift Licensed User Certificate. This report authenticates the user as a current Marshall & Swift user.\*\*\*



## Cost Breakdown Walden

### CoreLogic - SwiftEstimator Commercial Estimator - Detailed Report

#### General Information

<b>Estimate ID:</b>	Walden building	<b>Date Created:</b>	6-13-2022
<b>Property Owner:</b>	Paul Ware	<b>Date Updated:</b>	
<b>Property Address:</b>	Bonnors Ferry, ID 83805	<b>Date Calculated:</b>	06-13-2022
<b>Local Multiplier:</b>	1.03	<b>Cost Data As Of:</b>	using report date
<b>Architects Fee:</b>		<b>Report Date:</b>	06-2022

#### Section 1

<b>Area</b>	2092	<b>Overall Depreciation %</b>	
<b>Stories in Section</b>	1	<b>Physical Depreciation %</b>	40
<b>Stories in Building</b>	1	<b>Functional Depreciation %</b>	40
<b>Shape</b>	irregular	<b>External Depreciation %</b>	
<b>Perimeter</b>	(auto-calc)		
<b>Effective Age</b>	35		

#### Occupancy Details

Occupancy	%	Class	Height	Quality
321 Dormitory	100	D	8	2.0
<b>Occupancy Total Percentage</b>	100			

	Units	Unit Cost	Total Cost New	Less Depreciation	Total Cost Depreciated
<b>Basic Structure</b>					
Base Cost	2,092	\$129.71	\$271,353	\$108,541	\$162,812
Exterior Walls	2,092	\$22.62	\$47,321	\$18,928	\$28,393
Heating & Cooling	2,092	\$22.59	\$47,258	\$18,903	\$28,355
<b>Basic Structure Cost</b>	<b>2,092</b>	<b>\$174.92</b>	<b>\$365,932</b>	<b>\$146,372</b>	<b>\$219,560</b>
<b>Less Depreciation</b>					
Physical	40.0%			\$146,372	\$219,560
Functional	40.0%			\$146,373	\$73,187
<b>Depreciated Cost</b>	<b>2,092</b>	<b>\$34.98</b>		<b>\$292,745</b>	<b>\$73,187</b>

Cost data by CoreLogic, Inc.

\*\*\*Except for items and costs listed under ♦Addition Details, ♦ this SwiftEstimator report has been produced utilizing current cost data and is in compliance with the Marshall & Swift Licensed User Certificate. This report authenticates the user as a current Marshall & Swift user.\*\*\*

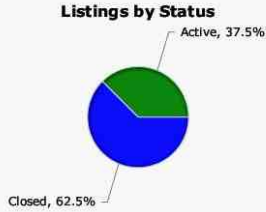


# Statistical Data Bonner

## Search Results Statistics

### Listings by Status

Active	3
Pending	0
Closed	5
Other	0
<b>Total</b>	<b>8</b>



**Search Criteria:** Property Type: Vacant Land Status: of Active, Pending, Closed County: of Boundary Lot Acres: between 18 and 30 Under Contract Date: relative 365 days back Sold Date: between '06/16/2021' and '06/16/2032'  
Prepared by Ellen Rice Ziska on Thursday, June 16, 2022 11:21 AM.

### Average, Median, Low and High Statistics

	Bdrms	Baths	Sq. Ft.	List Price	Sold Price	List Price per SqFt	Sold Price per SqFt	Sold/List Ratio*	Sold/Original List Ratio*	DOM
Average	0	0	0	\$447,500	\$420,000	\$0	-	96.35%	93.7%	127
Median	0	0	0	\$437,000	\$415,000	\$0	-	97.65%	94.12%	112.5
Low	0	0	0	\$389,000	\$380,000	\$0	-	92.31%	84.44%	10
High	0	0	0	\$520,000	\$480,000	\$0	-	100%	100%	246
Volume	-	-	-	\$3,580,000	\$2,100,000	-	-	-	-	-

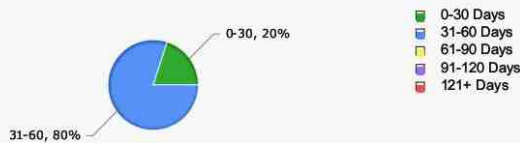


\*Listings with ratios below 50% or above 200% are omitted from ratio columns

### Days on Market and Sold/List Ratios by Market Time

	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121+ Days
Number of Listings	-	-	-	1	4
% of Total	-	-	-	12.50%	50.00%
Average SP/LP	-	-	-	97.69	96.02
Average SP/OLP	-	-	-	84.44	96.02

### DOM by Market Time





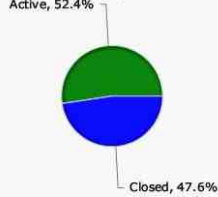
# Statistical Data Bonner & Boundary

## Search Results Statistics

### Listings by Status

Active	11
Pending	0
Closed	10
Other	0
<b>Total</b>	<b>21</b>

### Listings by Status



**Search Criteria:** Property Type: Vacant Land Status: of Active, Pending, Closed County: of Bonner, Boundary Lot Acres: between 18 and 30 List Price: between 380,000 and 525,000 Under Contract Date: relative 365 days back Sold Date: between '06/16/2021' and '06/16/2032' Prepared by Ellen Rice Ziska on Thursday, June 16, 2022 11:25 AM.

### Average, Median, Low and High Statistics

	Bdrms	Baths	Sq. Ft.	List Price	Sold Price	List Price per SqFt	Sold Price per SqFt	Sold/List Ratio*	Sold/Original List Ratio*	DOM
Average	0	0	0	\$451,862	\$442,210	\$0	-	96.48%	92.18%	92
Median	0	0	0	\$449,000	\$437,500	\$0	-	97.25%	97.25%	67
Low	0	0	0	\$389,000	\$400,000	\$0	-	90%	68.45%	10
High	0	0	0	\$520,000	\$500,000	\$0	-	100%	100%	246
Volume	-	-	-	\$9,489,099	\$4,422,107	-	-	-	-	-

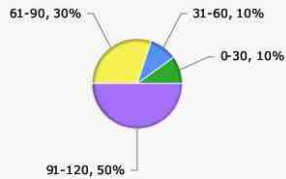


\*Listings with ratios below 50% or above 200% are omitted from ratio columns

### Days on Market and Sold/List Ratios by Market Time

	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121+ Days
Number of Listings	1	1	3	-	5
% of Total	4.76%	4.76%	14.29%	-	23.81%
Average SP/LP	97.56	99.79	97.80	-	94.81
Average SP/OLP	97.56	99.79	88.46	-	91.81

### DOM by Market Time



0-30 Days  
31-60 Days  
61-90 Days  
91-120 Days  
121+ Days

### Average SP/LP by DOM



### Average SP/OLP by DOM



**Division of Occupational and Professional Licenses**

**Department of Self Governing Agencies**

The person named has met the requirements for licensure and is entitled under the laws and rules of the State of Idaho to operate as a(n)

**CERTIFIED RESIDENTIAL APPRAISER**

**ELLEN RICE ZISKA  
618 S DIVISION AVE  
SANDPOINT ID 83864**



*Russell S. Barron*  
**Russell S. Barron**  
Division Admin

**CRA-1573**  
Number

**11/12/2022**  
Expires

# Appraisers Certification

12/27/21, 12:04 PM

Jeff License 2023.JPG

## Division of Occupational and Professional Licenses Department of Self Governing Agencies

The person named has met the requirements for licensure and is entitled under the laws and rules of the State of Idaho to operate as a(n)

### CERTIFIED RESIDENTIAL APPRAISER

**JEFF KEITH HURT**  
**618 S DIVISION**  
**SANDPOINT ID 83864**



*Russell S. Barron*  
**Russell S. Barron**  
Division Admin

**CRA-4858**  
Number

**01/22/2023**  
Expires

File No.

**Lot 3** is located on the northern portion of the existing parcel. The shape is an elongated rectangle, consisting of 19.83 acres. There is a large pond on the eastern portion, and it is currently zoned Agricultural/Forestry.

The buildings on this parcel include **Emerson**, a large, three-level office building with large gravel parking area, and a structure next to the pond which includes a large deck, covered porch, and sauna. Per aerial maps, Brush Creek is on the eastern portion of the lot. There are also some basketball courts. The view to the north is open pasture with the mountains beyond. There are also two dormitory buildings on this lot; the **Walden**, a 1-story dorm with unfinished basement, and **Camelot**, a two level structure. The Camelot dormitory has a good view to the north of the pond.

These buildings and site improvements are currently functional for specific usage, and unless a buyer is interested in purchasing and running a commercial, academic, or resort/church camp type business, these buildings would most likely not contribute to the overall value. Both dorms would require total renovation to be used as single family residential.

The buildings specifications are as follows:

<u>Name</u>	<u>Square Footage</u>	<u>Replacement Cost New</u>	<u>Depreciated Value Estimate</u>
Emerson	17296	3,787,305	946,826
Walden	2092	365,932	73,187
Camelot	4900	713,979	178,495
Pond bldg (sauna)	196	n/a	8,400

Estimated Land Value: **\$465,000**