

APPRAISAL REPORT
Of
Lots 1-12, Block 156
Montana Heritage Commission
Virginia City, MT

Madison County, Montana

APPRAISAL SERVICES
P.O. BOX 791
DILLON, MT 59725

APPRAISAL REPORT OF
Lots 1-12, Block 156
Montana Heritage Commission
Virginia City, MT

Virginia City, Montana
Madison County, Montana

Prepared by:

RONALD W. JOHNSON
Montana Certified General Appraiser
#287

Date of Inspection: 04/30/2014
Date of Report: 06/03/2014

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June 3, 2014

Elijah Allen
Montana Heritage Commission
PO Box 338
Virginia City, MT 59755

Dear Elijah,

In accordance with your request, I have personally inspected and appraised the real estate at lots 1-12, block 156, Virginia City, Montana in Madison County, Montana.

Based on my analysis of the characteristics of the Subject Property and recent sale and market value data in the area, the market value of the Subject Property as of the date of the inspection April 30, 2014 and the date of the appraisal, June 3, 2014 is:

“AS IS” MARKET VALUE OF
LOTS 1-12, BLOCK 156 = \$186,500.00
VIRGINIA CITY, MONTANA
MADISON COUNTY

This value is subject to the comments and conditions appearing herein.

Respectfully submitted,

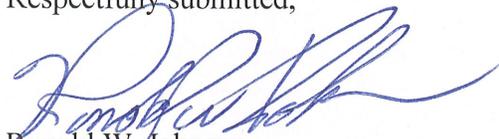

Ronald W. Johnson
Montana Certified General Appraiser
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ADDENDA

Letter of Engagement
Appraiser Qualifications
Appraiser License
Legal Description
Title Insurance Policy

Subject Property Map
Subject Location Photographs
Comparable Sales Map

Mineral and Archeological Report
Taxes
Water Rights

APPRAISAL REPORT
Of
Lots 1-12, Block 156
Montana Heritage Commission
Virginia City, Madison County, MT 59755

I. INTRODUCTION

A. Authorization and Purpose of Appraisal

Elijah Allen, Director of Operations for the Montana Heritage Commission, PO Box 338, Virginia City, MT 59755, authorized this appraiser to prepare a "AS IS" narrative appraisal report for the Subject Property owned by Montana Heritage Commission, which consists of 12 lots.

The purpose of this appraisal is to estimate the "AS IS" market value of the 12 lots of the Subject Property for loan valuation purposes as of the effective date of this appraisal, April 03, 2014.

The function and use of this appraisal is to estimate the "AS IS" market value of the Subject Property for the client to use in a loan transaction or servicing action, or similar lending-related transactions. The term "AS IS market value" is used in this appraisal to determine the immediate market value of the Subject in the as is condition as of the date of the final inspection. The intended user of this report is Montana Heritage Commission, PO Box 338, Virginia City, MT 59755.

The scope of this appraisal requires compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board. These standards set forth the requirements, guidelines, and procedures for developing an appraisal analysis or opinion. They further set the requirement for communicating the appraiser's opinions in a manner that is meaningful and that is not misleading. The appraisal problem presented is to determine the "AS IS" market value of the Subject Property for a servicing action or loan valuation purposes. In order to do that, this appraisal was developed by.

1. inspecting and photographing the Subject Property;
2. gathering and analyzing information on ownership, land classifications, flood plain data (where available), and taxation for the Subject Property and the comparable sales used herein;
3. determining historical usage of the Subject Property;
4. researching sales history with respect to the Subject Property;
5. researching land use trends, economic trends, and economic conditions in the market area of the Subject Property;
6. analyzing potential functional, external, or physical depreciation with regard to the improvements on the Subject Property;

7. determining acreages in the various land classifications, with input from aerial photographs, the County Assessor's office, and the Farm Services Agency, USDA, office;
8. determining the highest and best use "as if vacant" and "as improved", as well as the present, or interim, use of the Subject Property;
9. researching any known adverse conditions or environmental concerns on the Subject Property or the comparable sales;
10. researching and selecting appropriate comparable sales within the defined market area of the Subject Property;
11. determining the reliability of data on comparable sales by comparing information obtained from realtors with information provided by the state GIS system and the assessment records;
12. analyzing any known agreements of sales, options, or listing on the Subject Property;
13. analyzing the marketability of the Subject Property based on a reasonable exposure time in the open market;
14. confirming and analyzing relevant data;
15. determining the relative appropriateness, quantity and quality of evidence, accuracy, completeness of reasoning, and the overall reliability of the various approaches to value;
16. selecting, applying, analyzing, and reconciling the appropriate approach(es) to valuation with respect to the Subject Property; and
17. assigning a market value (as defined in this report) to the Subject Property as of the date of inspection, subject to its highest and best use, and further subject to any and all limiting conditions or extraordinary assumptions set forth in this appraisal report, and that is appropriate to the intended use of this appraisal report.

The data assembled, confirmed, and analyzed is the sole responsibility of the appraiser. Other professionals, area landowners, realtors, appraisers, developers and those knowledgeable about the area and the marketplace were consulted and interviewed as part of the assemblage process, but in the final analysis, the appraiser, as an advocate of the appraisal process, is solely responsible for this appraisal. The Subject Property is appraised without bias as to the ownership or management of the property.

This *appraisal* is presented in a *Summary Appraisal Report Format*. All assumptions and limiting conditions affecting either this appraisal or the conclusions herein drawn are set forth in this report.

B. Ownership and Rights Appraised

Lots 1-12, Block 156, Virginia City, Montana. Montana Heritage Commission is the owner of the Subject Property.

This appraisal is of the unencumbered fee simple ownership rights associated with the Subject Property. The term "*fee simple*" means "an absolute fee, without limitation to a particular class of heirs or restrictions, but subject to the limitations of eminent domain,

escheat, police power and taxation; an inheritable estate.” The Subject Property was appraised in accordance with its highest and best use. Value to be assigned is market value.

C. Definition of Market Value

Market value as applied in this report is based on a 24 to 36 month marketing period and is defined as follows:

Market Value (USPAP 2014-2015 Edition): “A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term, identified by the appraiser as applicable in an appraisal.”

Market Value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States 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.” (The Dictionary of Real Estate Appraisal, 3rd Edition, Appraisal Institute, 1993.)

D. Distribution of Value

Value as assigned in this report applies to the real estate as described and is based on unencumbered value. This appraisal does consider the value of improvements, but not of growing crops or personal property unless otherwise noted. As noted herein, a separate contributory value analysis of any existing mineral rights, timber rights, or water rights is not made. These property rights are considered part of the overall value assigned to the real estate. Their values are reflected within the land values exhibited in the market. In other words, water rights are considered part of the value identified for irrigated cropland, and mineral rights are likewise a part of the assigned land values overall.

Basic land improvements – such as roadways, fences, ditches, irrigation structures, and field preparation – are inherent in the land values assigned.

There are two structural improvements valued in this appraisal

E. Legal Description and Acreage

The Subject Property's legal description is as follows: Lots 1-12, Block 156, Virginia City, Montana: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 in Block 156 of the Original Townsite of Virginia City, the plat of which is on file and of record in the office of Clerk and Recorder, records of Madison County, Montana. The total Sq. Ft. in the twelve lots is according to the Dept. of Revenue 30,012 Sq. Ft.

F. Subject Property Sale History

The subject property has been under the same ownership for over 20 years.

G. Market Area

Market area is defined as "The geographic or locational delineation of the market for a specific category of real estate, i.e., the area in which alternative, similar properties effectively compete with the subject property in the minds of probable, potential purchasers and users." (The Dictionary of Real Estate Appraisal, 3rd Edition, Appraisal Institute, 1993.)

The Subject Property's market area includes city lots and residential lots in subdivisions throughout the Madison County area. Properties considered as similar, competing properties will be used in estimating the market value of the Subject Property.

H. Appraiser Competency

The Competency Rule of the Uniform Standards of Professional Appraisal Practice requires that the appraiser be able to properly identify the appraisal problem and that he have the knowledge and experience to complete the assignment competently.

This appraiser has knowledge of the western Montana market due to the fact that he is a real estate broker, a certified general appraiser, and was a Senior Officer of Norwest Bank Corp. and in addition he did numerous appraisals for Norwest Mutual Life, and the Federal Land Bank, during which time he appraised many properties throughout western Montana. Upon leaving the banking industry after 16 years in 1982 he was Senior Vice President of three Norwest Banks and as such he has had extensive experience financing farms, ranches, custom feeding operations, subdivisions and development projects. This firm has completed numerous commercial, residential, recreational, conservation easements and agricultural appraisals throughout western Montana over the past 40 years. Among these are included numerous recreational ranch appraisals and ranch/resort appraisals throughout not only southwest Montana, but a five-state area.

Additionally, the appraiser has been a farmer/rancher, custom feedlot owner/operator and ranch manager in Beaverhead and Madison counties for over 40 years. He also owns commercial and agricultural properties in Dillon, some of which are leased on a triple net basis. This firm has also put together some of the largest real estate sales made in the state of Montana.

In addition to real estate and appraisal experience, this appraiser has also developed extensive commercial, residential, and agricultural properties. Over the last 15 years, these developments have had a significant financial impact on southwestern Montana and continue to successfully generate substantial income. The development of these properties has significantly increased both this appraiser's knowledge and expertise in managing projects, not only for himself but also for clients throughout the United States.

For these reasons, this appraiser has the knowledge, experience, and expertise necessary to complete this assignment in a competent and professional manner.

I. Summary, Salient Points, and Conclusions

Record Owner	:	Montana Heritage Commission
Location	:	Lots 1-12, Block 156 (30,012.Sq. Ft.) Virginia City, Madison County, Montana
Property Rights Appraised	:	Fee Simple
Highest and Best Use	:	Commercial
Present Use	:	Commercial
:	:	
"AS IS" Market Value	:	\$ 186,500.00
Date of Inspection	:	April 03, 2014
Date of Report	:	June 3, 2014

II. SITE ANALYSIS

A. Location

The Subject Property is bordered by Broadway, Wallace, and Van Buren Streets in Virginia City, Madison County, Montana. The subject property is 12 lots.

B. Community and Economic Features

The Subject Property is in Virginia City, Montana in Madison County. Virginia City is a small, rural community established in 1896.

The current population of Madison County is estimated to be approximately 7,509. Most shopping and services are available locally. Some medical services are available at a very small community hospital in the Ennis. Per capita income is \$19,615, which ranks 31st among Montana's 56 counties. Major business activities in Madison County are ranching, farming, construction, limited mining and tourism/recreation. Schools, medical services, county government, Forest Service, several resorts and several large construction companies are the County's major employers. Home construction, associated with extensive subdivision of the past 20 years, is one of the fastest growing industries in Madison County. Non-traditional ranch property owners are becoming more common. Family ranches, livestock numbers and successful year round main street businesses are being threatened by high land values and low agricultural economics.

The County Seat is Virginia City. Virginia City was the Montana Territorial Capital from 1865 to 1875. The courthouse, constructed in 1875 is still used for County offices.

National Historic Landmark Virginia City, one of the State's early successful mining towns, is now a visitor stop for thousands of travelers each year. Virginia City was home to over 10,000 residents in the mining boom of the 1860's and 70's. Virginia City and its neighboring town Nevada City are recognized as one of the busiest tourist attractions in Montana and are major seasonal employers. The State of Montana now owns and manages much of the historical district of Virginia City. Virginia City is a major seasonal employer in Madison County.

Four towns in Madison County are incorporated: Ennis, Sheridan, Twin Bridges and Virginia City. All have functioning local governments.

Other distance communities in Madison County: Alder, Big Sky, Harrison, Silver Star, Pony, Virginia City, Laurin, Norris and Cameron. They rely on County support for numerous services. 1 out of 3 Madison County residents live within the towns.

Madison, Beaverhead, Big Hole, Jefferson and Ruby Rivers are all major rivers in Madison County. Beginning in Madison County the Ruby River is a headwater of the Missouri River. All rivers and numerous other waters in Madison County are popular fishing and recreation destinations.

Much of Big Sky, one of the west's premier resort destinations, lies in Madison County. Seasonally, Big Sky employs over 800 service oriented employees.

Madison County is experiencing many other changes. Four high schools in Madison County are experiencing reduced enrollments. Four grade schools (K-8) and two rural schools (K-6) note the same concerns. Community populations are staying fairly consistent. Observation leads one to think that most communities in Madison County are becoming retirement based populations. Several towns are noting numerous main street and other business closures.

Madison County has an estimated 1200 miles of County roads. 109,000 acres in Madison County are classified prime farmland. October 1998 study (contained in the Madison County Comprehensive Plan, 1999 Update, which is currently under revision):

- 73,000 acres were subdivided.
- Of 2859 lots, approximately 19% were built on (545 lots).
- Conservation Easements were in effect on 150,000 acres of private land.
- Noxious weeds or weed seed infest over 200,000 acres.
- Approximately 36,000 acres are considered flood prone.

C. Climate

The Subject Property is located in Virginia City, Madison County, Montana. The Virginia City area receives about 10-14 inches of annual precipitation, with two-thirds of that amount falling during the May through September growing season. The Virginia City area receives 30 inches of annual snowfall with the majority of that falling between the months of November and March. Surrounding the Madison Valley are high mountain ranges that receive fairly heavy accumulations of snow. Weather is funneled north and south through the Madison Valley by the Deer Lodge and Beaverhead National Forests on the west and the Gallatin and Beaverhead National Forests on the east. Three mountain ranges are included in the National Forests bordering the Madison Valley. They include the Tobacco Root Mountains and Gravelly Range on the west and the Madison Range on the east.

D. Property Features and Soils

The subject property is level to undulating with the lower area closest to the creek bottom showing signs of a high water table. The terrain varies as the elevation increases to the south and the water table is much lower. The subject is surrounded by an extensive city street system that accesses a major part of the over all area. There is typical mountain forage with good grass cover and willows. The soils are light sandy clay that is underlain with gravel and rock. Even though the soils are light the grass and willow cover have kept the erosion to a minimum.

E. Zoning and Taxes

The Subject Property is zoned Historic Commercial and there are no annual property taxes as the property is tax exempt.

F. Utilities

All city utilities are available to the Subject Property.

G. Access and Easements

Access to the Subject Property 12 lots is excellent. And no unusual easements were apparent or discovered. This appraiser inspected the access to the 12 lots and confirmed that there is excellent access.

H. Minerals, and Water

The degree of mineral rights associated with the appraised property is unknown. Mineral rights on this type of property typically exhibit very minimal value. The degree of mineral rights on properties, such as Subject Property, does not represent a measurable element of value in this market area since the potential for use or damage is considered slight. Fractionalized or severed mineral rights are common in the market area, and the overall mineral potential of the Subject Property is regarded as low. Therefore, we have not included any mineral potential in the value of the land even though there is evidence of mining in the area. We have rendered no opinion as to the value of mineral rights or their ownership. No water rights were found recorded with the DNRC.

I. Environmental Assessment

This appraiser has not performed an environmental assessment on the Subject Property. However, the Subject Property was visually inspected at the time of this appraisal. The Subject Property is in an area that is primarily Commercial and/or recreational. It is unknown whether these activities have had any affect on the Subject Property.

No apparent environmental concerns were observed. It must be noted, however, that this appraiser is not an expert in environmental issues.

J. Improvements

There are no structural improvements on the Subject Property.

K. Flood Plain Assessment

The parcels of the Subject Property located near the creek bottom could in times of high run off experience local limited flooding. Flood Hazard area and flood area maps are not available for the area of the Subject and inquiries with the local planner indicated that the lots were not in a flood hazard zone.

III. VALUATION PROCESS

A. Introduction

The valuation of real estate is based on a well-defined methodology that follows a basic format depending upon the specific estate to be valued. The appraisal of real estate is regulated and defined by the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Foundation.

The valuation of the Subject Property, now that it has been described in this report, will be accomplished as follows:

1. Establish the property's highest and best use based on consideration of all factors affecting use and value, which include not only the real estate's physical properties, but the effect of locational and economic forces apparent in its market area.
2. Determine the property's highest and best use based on income production potential.

3. Analyze and select the appropriate method of valuation based on the accepted approaches to value, generally known as the Sales Comparison, Income, and Cost Approaches to real estate valuation.
4. Apply the appropriate approach(s) to real estate valuation specifically to the appraised real estate with adequate consideration and disclosure of pertinent data.
5. Reconcile the final value estimates derived from the approach(s) selected to determine overall accuracy and to estimate an appropriate market value for the Subject Property, again defining the rights appraised.
6. Consider and disclose any assumptions affecting the appraised value, which should include probable exposure and marketing times and any special conditions of the value as assigned.

HIGHEST AND BEST USE

A property is valued according to its highest and best use. The Dictionary of Real Estate Appraisal, 3rd edition, defines highest and best use as “the reasonably probable and legal use of property that is physically possible, appropriately supported, and financially feasible, and that results in the highest value.” Highest and best use is considered to be that use of land and its improvements that can reasonably be expected to produce the greatest net return over a given period of time or over the remaining life of the improvements. The definition provides that the opinion of such use may be based on the highest and most profitable continued use to which the property is both adapted and needed or likely to be in demand for in the reasonably near future.

In assignment of highest and best use, a complete analysis of the area surrounding an appraised property should be made to ascertain market trends and demands. Consideration of established uses in the area and the features of the subject must also be analyzed.

Criteria to be considered and met should lead to a conclusion that reasonably exists, or will exist in the near future, and which is:

Legally Permissible
Physically Possible
Financially Feasible
Maximally Productive

LEGALLY PERMISSIBLE: In estimating the site's highest and best use, legal factors influencing the highest and best use of the Subject Property must be considered. Legal factors are primarily government regulations such as zoning and subdivision regulations. The subject property is zoned Historic Commercial and therefore it is legally permissible to develop.

PHYSICALLY POSSIBLE: The question arises as to whether or not the property is physically adapted to residential or commercial uses. Due to the location with-in the incorporated city limits of Virginia City and the topography, commercial development uses are physically possible.

FINANCIALLY FEASIBLE: After it has been established that a property is both legally permissible and physically possible, financial feasibility is considered. The appraiser must research and analyze the market area of the Subject Property to establish supply and demand. Development costs and entrepreneurial profit are estimated in order to determine if there is adequate net income and profit for the use to be considered financially feasible. The subject Property is Financially Feasible to develop.

MAXIMALLY PRODUCTIVE: The final criteria are that the use must generate the highest net return or profit. A comparative analysis of all potential uses of the Subject Property is utilized to determine which use is maximally profitable. Location, zoning and surrounding amenities indicate commercial use is maximally productive for the Subject Property.

1. As If Unimproved

The Subject Property highest and best use as unimproved is as commercial lots. The zoning as (downtown historical commercial) limits the highest and best use to commercial use only

2. As Improved

The highest and best use of the Subject Property as improved is as commercial lots. The zoning as (downtown historical commercial) limits the highest and best use to commercial use only

B. Approaches to Value

1. Introduction

In appraising a rural property, three approaches to value may be employed based on the conditions of the property and market. These approaches are as follows:

Income Approach

Cost Approach

Comparable Sales Approach

2. The Income Approach

The *Income Approach* converts income typically anticipated from the property into an indication of value. By analyzing income from the property, based on net cash sales or rentals of land, for example, and the indicated overall rate of return for comparable properties, an estimate of value is possible. This approach is subject to variables depending upon the method of interpretation of data. The Income Approach is often the least-reliable indicator of value. There is no income being derived from the 12 lots therefore, the Income Approach to value is not considered appropriate for determining the value of the Subject Property.

3. The Cost Approach

The *Cost Approach* estimates the present replacement cost of the structural improvements, and subtracts all forms of depreciation, and then adds the value of the bare land as estimated from the market data. Bare land sales are the most persuasive indicators of land value, and building residual values indicate the rates of contribution and depreciation applicable to improvements in a given market. Because there are no structural improvements on the subject property the Cost Approach to value was deemed not appropriate in valuing the subject property.

4. The Comparable Sales Approach

The *Comparable Sales Approach* involves a comparison of similar or comparable properties that have sold. In applying this approach, the appraiser employs the principle of substitution: a prudent buyer is assumed to be willing to pay no more for a property than it would cost him to buy another property with equally desirable characteristics. Conversely, a well-informed seller will sell his property for no less than what similar properties have sold for. Typical factors considered in this approach are the time of the sale, terms, location, size, improvements, topography, and relevant amenities.

For the purposes of this report, it is my opinion that the Comparable Sales Approach is the **only valid approach** that can be used to derive a probable value estimate for the Subject Property. It is this appraiser's opinion that the Comparable Sales Approach will lead to the most accurate conclusion of "AS IS" value for the Subject Property.

5. Market Value Estimate

All three approaches to value were considered for use in estimating the "AS IS" market value of the Subject Property. After analyzing each approach, it was concluded that the Comparable Sales Approach is considered the only approach appropriate for estimating the bare land commercial "AS IS" market value of the Subject Property twelve lots.

C. Comparable Sales Approach to Value

Montana is a non-disclosure state. Thus, no financial data on sales is of public record. Sales used in this report were obtained from the area realtors and the MLS, and were confirmed to our satisfaction with buyers, sellers, and/or real estate people with knowledge of the sale. Data obtained from these sources was assumed to be correct.

To apply this approach, we reviewed the market area to confirm recent sales and market activity that would be generally comparable to the Subject Property. As a part of this research, we reviewed data on numerous sales in the market area and inspected them from the nearest county road. We then selected the sales shown below as the most persuasive indicators of value of the Subject Property. Details are included in the summary section on each sale. The Comparable Sales used are considered the best available.

The subject Property consists of 12 commercial lots containing a total of 30,012 Sq. Ft.

The selling price of each of the comparable sales utilized was adjusted in a consistent manner so that the comparable sales would reflect the features exhibited by the Subject Property.

The final step in this process is to determine the mean adjusted sales price, determine whether the Subject Property is appropriately valued above or below this mean, and select an appropriate market value for the Subject Property based on this information.

In order to determine the "AS IS" market value per acre of the existing subject property we have selected 3 comparable sales of properties located in the general area of the subject. An extensive search of the market was made to find recent sales similar in size to the Subject Property. The primary criteria used were (1) recent commercial lot sales (2) zoned commercial properties comparable in size, appeal and location within an existing development. Because of the current market conditions and the national economy, it was determined that recent sales were the most important factor as they are the most reliable indicator of current market values even if they are inferior in acreage. Sales beyond 24 months were used to further support the value.

Names of buyers and sellers are listed as confidential on some sales as Montana is a non-disclosure state. Information gathered from sales is deemed reliable, but is not guaranteed. Sales confirmed for use in this appraisal are reported as follows:

COMPARABLE SALE #1

LOCATION:	Parcel A of Wing Minor Subdivision Madison County
SELLER:	Lark Receiving, Inc.
PURCHASER:	Ruby Valley Hospital
TOPOGRAPHY:	Level
IMPROVEMENTS:	Modular Home \$44,000
EXPENSES/DEMOLITION:	\$6,500
ZONING:	Commercial
HIGHEST AND BEST USE:	Commercial
PRESENT USE:	Commercial
PARCEL SIZE:	23,958 SF
LIST PRICE:	\$195,000
SALE PRICE:	\$194,000
DATE OF SALE:	05/2013
DOM:	N/A
TERMS:	cash
SELLING PRICE PER SQ. FT.	\$8.10/SF
BARE LAND VALUE PER SF:	\$6.54/SF
CONFIRMED:	Broker-MLS

SUMMARY:

This comparative sale is very comparable in size to the subject property and is a commercial sale of property for a proposed new hospital. The sale is the most recent sale that is very similar to the subject. The site had to be leveled and an older home had to be demolished and removed. The remaining modular home is presently for sale. The value of the modular home is approx \$44,000.00. This sale is superior to the subject in location; therefore a minus 10% adjustment is warranted.

COMPARABLE SALE #2

LOCATION:	Parcel B of Wing Minor Subdivision Madison County
SELLER:	Ross W. Roylance
PURCHASER:	Ruby Valley Hospital
TOPOGRAPHY:	Level
IMPROVEMENTS:	None
ZONING:	Commercial
HIGHEST AND BEST USE:	Commercial
PRESENT USE:	Commercial
PARCEL SIZE:	180,774 SF
LIST PRICE:	\$110,000
SALE PRICE:	\$110,000
DATE OF SALE:	05/2013
DOM:	N/A
TERMS:	cash
PRICE PER SQ. FT.	\$.61/SF
CONFIRMED:	Broker-MLS

SUMMARY:

This sale is also in the wing subdivision and was sold in 2013. This sale is 6 times larger than the subject property and was purchased to expand the area for the new hospital. The site is inferior the subject due to size and location. This comparative sale warrants a substantial positive adjustment to compare it to the subject. The sale is 6 times the size of the subject and a positive adjustment of 60% for size and 30% for location on the back of the existing development. Even with this large adjustment the site is still inferior to the subject property.

COMPARABLE SALE #3

LOCATION:	E 21 Ft Lot 20, Lot 21, Block 156 Virginia City Madison County
SELLER:	Loren Tucker
PURCHASER:	Madison County, a body politic
TOPOGRAPHY:	Level
IMPROVEMENTS:	None
ZONING:	Commercial
HIGHEST AND BEST USE:	Commercial
PRESENT USE:	Commercial
PARCEL SIZE:	Lot 20: 2,226 SF Lot 21: 2,650 SF
LIST PRICE:	\$80,000.00
SALE PRICE:	\$80,000.00
DATE OF SALE:	05/2007
DOM:	N/A
TERMS:	cash
PRICE PER SQ. FT.	Lot 20: \$16.41/SF Lot 21: \$16.41/SF
CONFIRMED:	American land title

SUMMARY:

This sale is of two adjacent lots to the subject property. This sale was completed in 2007 at the height of the commercial real-estate market in Southwest Montana. These lots are superior to the subject property in location. Commercial properties in Southwest Montana have steadily declined since the highs of 2006 and 2007. The market has only now started to stabilize with current commercial sales exhibiting values from 40% to 60% less than the market highs of 2006 and 2007. The present market for commercial properties is very slow with investors looking for a capitalization rate of between 8% and 10%. Commercial properties with little of no net cash return are very difficult to market in today's economy. The age of these sales and the location of the lots warrant a substantial minus adjustment to compare them to the subject. A minus 50% time adjustment and a minus 10% location adjustment are warranted.

Comp Sale Grid 1-3

	Subject	Comparable #1	Comparable #2	Comparable #3
Sale Price		\$194,000	\$110,000	\$80,000.00
Size	12 Lots 30,030 Sq. Ft.	23,958 Sq. FT.	180,774 Sq. FT.	Lot 20: 2,226 Sq. Ft. Lot 21: 2,650 Sq. Ft.
Price/SF Bare land sold		\$6.54/Sq. Ft.	\$.61/Sq. Ft.	\$16.41. Sq. Ft
Date of Sale		May-13, 2013	May-13,2013	May-07,2007
Market Adjustment		(minus 10%)	(positive 90%)	(minus 60%)
6.54 Adjusted Price bare land/ Sq. Ft. per SF		\$5.86/Sq. Ft.	\$1.16/Sq. Ft.	\$6.56/Sq. Ft.
Location	Lots 1-12, Block 156 Virginia City, MT	Parcel A of Wing Minor Subdivision Madison County, MT	Parcel B of Wing Minor Subdivision Madison County, MT	E 21 Ft Lot 20 and Lot 2, Block 156 Virginia City, MT
Access	City Street	City Street	City Street	City Street
Topography	Level to undulating	Level	Level	Level to undulating
Utilities	yes	yes	yes	yes
Improvements	None \$0	None \$0	None \$0	None \$0
Highest & Best Use	Commercial	Commercial	Commercial	Commercial

FINAL RECONCILIATION of COMPARITIVE SALES

The adjusted mean value of the two most comparative sales (#1 and #3) is \$6.21/ Sq. Ft. Sale # 2 is of a much larger parcel and used as an additional parcel with limited use. This appraiser looked at over 15 listings in the Virginia City town site and surrounding area, 90% were residential listings and some were as old as 6 years and no offers had been received. The commercial listings that I did review were not comparable to the subject as they were too small to develop individually because of sewer and water regulations.

The subject property is unique in that it is a larger site in comparison to the other commercial sites in the city and that adds value due to the ability to develop. The subject property has excellent access and all utilities which is a major plus when analyzing commercial property.

The reader of this report must understand that there have been no bare land sales of commercial property in Virginia City of the size of the subject property in recent years. The three sales that were used in this appraisal were adjusted in the best possible manor to reach a result that reflects the present market. It is my opinion that the mean adjusted value of sales numbers #1 and #3 at \$6.21/ Sq. Ft. reflect the present "AS IS"/ Sq. Ft value of the subject property.

D. Exposure and Marketing Times

While exposure and marketing times have been extended in all areas of the real estate markets due the effects of the national economy and the real estate mortgage market, the nature of the real estate market for the Subject Property would indicate an exposure time of the selling of all units to be approximately 4 years. Exposure time is the length of time that the Subject Property would be exposed for sale in the market to sell at the market value concluded in this report on the date of this valuation. The marketing time (i.e. the amount of time it would probably take to sell the Subject Property if exposed in the market beginning on the date of this valuation) is estimated to be 3 years.

E. SUMMARY VALUATION

30,012 Sq. Ft. X \$6.21 =-----\$186,374.52

"AS IS" Market Value Rounded to \$186,500.00

F. Exposure and Marketing Time

Our interviews with local realtors and others involved with the real estate market in the area of Subject Property would indicate that exposure time would have been approximately 24 to 36 months. Exposure time is the length of time Subject Property would have been exposed for sale in the market had it sold at the market value concluded in this report on the date of this valuation. The estimated marketing time (i.e., the amount of time it would probably take to sell Subject Property if exposed in the market beginning on the date of this valuation) is estimated to be 24 to 36 months.

G. This appraisal complies with and adheres to the following standards:

1. Conform to the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation, except that the Departure Provision of the USPAP shall not apply to federally related transactions.
2. Disclose any steps taken that were necessary or appropriate to comply with the Competency Provision of the USPAP.
3. Be based upon the definition of market value as set forth in the Glossary of the USPAP.
4. Be written and presented in a narrative format or on forms that satisfy all the requirements of USPAP:
 - a. Be sufficiently descriptive to enable the reader to ascertain the estimated market value and the rationale for the estimate; and
 - b. Provide detail and depth of analysis that reflect the complexity of the real estate appraised.
5. Analyze and report in reasonable detail any prior sales of the property being appraised that occurred within the following time periods:

- a. For one to four family residential property, one year preceding the date when the appraisal was prepared; and
 - b. For all other property, three years preceding the date when the appraisal was prepared.
6. Analyze and report data on current revenues, expenses, and vacancies for the property if it is and will continue to be income producing.
 7. Analyze and report a reasonable exposure time and marketing period for the Subject Property.
 8. Analyze and report on current market conditions and trends that will affect projected income or the absorption period, to the extent that they affect the value of the Subject Property.
 9. Analyze and report appropriate deductions and discounts for any proposed construction, or any completed properties that are partially leased or leased at other than market rents as of the date of the appraisal, or any tract developments with unsold units.
 10. Include in the certification required by the USPAP an additional statement that the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
 11. Contain sufficient supporting documentation with all pertinent information reported so that the appraiser's logic, reasoning, judgment, and analysis in arriving at a conclusion indicate to the reader the reasonableness of the market value reported.
 12. Include a legal description of the real estate being appraised, in addition to the description required by the USPAP.
 13. Identify and separately value any personal property, fixtures, or intangible items that are not real property but are included in the appraisal, and discuss the impact of their inclusion or exclusion on estimate of market value.
 14. Follow a reasonable valuation method that addresses the direct sales comparison, income, and cost approaches to market value, reconciles those approaches, and explains the elimination of each approach not used.

H. Standard Assumptions and Limiting Conditions

The following conditions apply:

1. The legal description as taken from public records in the Property Assessment Office and Clerk and Recorder's Office are assumed to be accurate. Any sketches, surveys, plats, photographs, drawings or other exhibits are included only to assist the intended user to better understand and visualize the Subject Property, the environs, and the competitive data. We have made no survey of the property and assume no responsibility in connection with such matters.
2. The appraiser has not conducted any engineering or architectural surveys in connection with this appraisal assignment. Information reported pertaining to dimensions, sizes, and areas is either based on measurements taken by the appraiser or the appraiser's staff or was obtained or taken from referenced sources and is considered reliable. No responsibility is assumed for the costs of preparation or for arranging geotechnical engineering, architectural, or other types of studies, surveys, or inspections that require the expertise of a qualified professional.
3. No responsibility is assumed for matters legal in nature. Title is assumed to be good and marketable and in fee simple unless discussed otherwise in the report. The property is considered to be free and clear of existing liens, easements, restrictions, and encumbrances, except as noted.
4. Unless otherwise noted herein, it is assumed there are no encroachments or violations of any zoning or other regulations affecting the Subject Property and the utilization of the land and improvements is within the boundaries or property lines of the property described.
5. Johnson Realty & Appraisal Services, Inc. assumes there are no private restrictions affecting the property which would limit the use of the Subject Property in any way.
6. It is assumed that the Subject Property is not adversely affected by the potential of floods.
7. It is assumed all water and sewer facilities (existing and proposed) are or will be in good working order and are or will be of sufficient size to adequately serve any proposed buildings.

8. Unless otherwise noted within the report, the depiction of the physical condition of the improvements described herein is based on an on-site visual observation. No liability is assumed for the soundness of structural members since no engineering tests were conducted. No liability is assumed for the condition of mechanical equipment, plumbing, or electrical components, as complete tests were not made. No responsibility is assumed for hidden, unapparent or masked property conditions or characteristics that were not clearly apparent during our on-site observation.

9. If building improvements are present on the site, no significant evidence of termite damage or infestation was observed during our on-site visual observation, unless so noted in the report. No termite inspection report was available, unless so noted in the report. No responsibility is assumed for hidden damages or infestation.

10. Any proposed or incomplete improvements included in this report are assumed to be satisfactorily completed in a workmanlike manner or will be thus completed within a reasonable length of time according to plans and specifications submitted.

11. No responsibility is assumed for hidden defects or for conformity to specific governmental requirements, such as fire, building, safety, earthquake, or occupancy codes, except where specific professional or governmental inspections have been completed and reported in the appraisal report.

12. The property is assumed to be under financially sound, competent and aggressive ownership.

13. The appraisers assume no responsibility for any changes in economic or physical conditions which occur following the effective date of this report that would influence or potentially affect the analyses, opinions, or conclusions in the report. Any subsequent changes are beyond the scope of the report.

14. The value estimates reported herein apply to the entire property. Any proration or division of the total into fractional interests will invalidate the value estimates, unless such proration or division of interests is set forth in the report.

15. Any division of the land and improvement values are estimated herein is applicable only under the program of utilization shown. These separate valuations are invalidated by any other application.

16. Unless otherwise noted in the report, only the lease hold interest and improvements are considered, so no consideration is given to the value of personal property or equipment located on the premises or the costs of moving or relocating such personal property or equipment.

17. Unless otherwise stated, it is assumed that no oil, gas, and other mineral rights are included. No opinion is expressed as to whether the property is subject to surface entry for their exploration or removal. The contributing value, if any, of these rights has not been separately identified.

18. The value, interest, or extent of minerals is not a part of this appraisal. No estimate of the value of underlying minerals, other than those represented by the price analysis of comparable sales, has been made. Water rights may be itemized as part of the physical description of the property, but their value is considered an inherent part of the land value as determined within, and no separate contributory value is assigned.

19. Any projections are not predictions of the future. Rather, they are our best estimate of current market thinking of what future trends will be. No warranty or representation is made that these projections will materialize. The real estate market is constantly fluctuating and changing. It is not the task of an appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future in terms of expectations of growth in rental rates, expenses, and supply and demand.

20. Unless subsoil opinions based upon engineering core borings were furnished, it is assumed there are no subsoil defects present, which would impair development of the land to its maximum permitted use or would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.

21. Johnson Realty & Appraisal Services, Inc. representatives are not experts in determining the presence or absence of hazardous substances, defined as all hazardous or toxic materials, wastes, pollutants or contaminants (including, but not limited to, asbestos, PCB, UFFI, or other raw materials or chemicals) used in construction or otherwise present on the property. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such substances or for loss as a result of the presence of such substances. Appraisers are not qualified to detect such substances. The client is urged to retain an expert in this field.

22. We are not experts in determining the habitat for protected or endangered species, including, but not limited to, animal or plant life (such as bald eagles, gophers, tortoises, etc.) that may be present on the property. We assume no responsibility for the studies or analyses which would be required to determine the presence or absence of such species or for loss as a result of the presence of such species.

23. The appraiser has conducted no specific environmental audits of hazardous substances or detrimental environmental conditions. Noise and environmental factors have not been given segregated consideration except as noted; they have been treated with the whole. The appraiser assumes there are no hidden or unapparent conditions of the property, sub-surface, or structure that would render it more or less valuable. No responsibility is assumed for such conditions or for any engineering which might be required to discover such conditions. The appraiser reserves the right to alter, amend, revise, or rescind any of the value opinions based upon any subsequent environmental impact studies, research, and investigation.

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

25. Neither all nor any part of the contents of this report or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales, or any other media, without the prior written consent and approval of the appraisers. This limitation pertains to any valuation conclusions, the identity of the analyst or the firm and any reference to the professional organization of which the appraiser is affiliated or to the designation thereof.

26. Although the appraiser has made, insofar as is practical, every effort to verify as factual and true all information and data set forth in this report, no responsibility is assumed for the accuracy of any information furnished the appraiser either by the client or others. If for any reason, future investigations should prove any data to be in substantial variance with that presented in this report, the appraiser reserves the right to alter or change any or all analyses, opinions, or conclusions and/or estimates of value.

27. Because this report has been prepared in a "public non-disclosure" state, real estate sales prices and other data, such as rents, prices, and financing, are not a matter of public record. Although extensive effort has been expended to verify pertinent data with buyers, sellers, brokers, lenders, lessors, lessees, and other sources considered reliable, it has not always been possible to independently verify all significant facts. In these instances, the appraiser may have relied on verification obtained and reported by appraisers outside of our office. Also, as necessary, assumptions and adjustments have been made based on comparisons and analyses using data in the report and on interviews with market participants. It is suggested the client consider independent verification as a prerequisite to any transaction involving sale, lease, or other significant commitment of funds to the Subject Property.

28. This report is null and void if used in any connection with a real estate syndicate or syndication, defined as a general or limited partnership, joint venture, unincorporated association, or similar organization formed for or engaged in investment or gain from an interest in real property, including but not limited to a sale, exchange, trade, development, or lease of property on behalf of others or which is required to be registered with the U.S. Securities and Exchange Commission or any Federal or State Agency which regulates investments made as a public offering.

29. The American Disabilities Act of 1990 (ADA) sets strict and specific standards for handicapped access to and within most commercial and industrial buildings. Determination of compliance with these standards is beyond appraisal expertise and, therefore, has not been attempted by the appraisers. For purposes of this appraisal, we are assuming the buildings are in compliance; however, we recommend an architectural inspection of the building to determine compliance or requirements for compliance. We assume no responsibility for the cost of such determination and our appraisal is subject to revision if the building is not in compliance.

30. The use of this appraisal is reserved to the named client and the liability of the appraiser and employees is limited to the client and to the fee collected. Any party who uses or relies upon any information in this report, without the preparer's written consent, does so at their own risk. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraiser assumes no responsibility for any costs incurred to discover or correct any deficiencies of any type present in the property: physically, financially, and/or legally.

31. The client agrees to indemnify and hold harmless Johnson Realty & Appraisal Services, Inc. and its affiliates, partners, agents, and employees from and against any losses, claims, damages, or liabilities, which may be asserted by any person or entity who may receive our report, except to the extent of any losses, claims, damages, or liabilities, (or actions in respect thereof) arising by reason of the gross negligence or willful misconduct of Johnson Realty & Appraisal Services, Inc. in preparing the report and will reimburse Johnson Realty & Appraisal Services, Inc. for all expenses (including counsel fees) as they are incurred by Johnson Realty & Appraisal Services, Inc. in connection with investigating, preparing, or defending any such action or claim.

32. In any circumstance in which the foregoing indemnification is held by a court to be unavailable to Johnson Realty & Appraisal Services, Inc., Client and Johnson Realty & Appraisal Services, Inc. shall contribute to any aggregate losses, claims, damages or liabilities (including the related fees and expenses) to which Client and Johnson Realty & Appraisal Services, Inc. may be subject in such proportion that Johnson Realty & Appraisal Services, Inc. shall be responsible only for that portion represented by the percentage that the fees paid to Johnson Realty & Appraisal Services, Inc. for the portion of its services or work product giving rise to the liability bears to the value of the transaction giving rise to such liability.

33. Johnson Realty & Appraisal Services, Inc. has completed an on-site visual observation of the Subject Property which consisted of less than inspecting 100% of the interior and exterior of the improvements. Johnson Realty & Appraisal Services, Inc. reserves the right to amend the appraised value and appraisal conclusions if engineering reports or other evidence is found, which would materially impact the reported conclusions.

34. The right is reserved by the appraiser to make adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional or more reliable data that may become available. No change of this report shall be made by anyone other than the appraiser or appraisers. The appraiser(s) shall have no responsibility for any unauthorized change(s) to the report.

35. If the client instructions to the appraiser were to inspect only the exterior of the improvements in the appraisal process, the physical attributes of the property were observed from the street(s) as of the observation date of the appraisal. Physical characteristics of the property were obtained from tax assessment records, available plans, if any, descriptive information, and interviewing the client and other knowledgeable persons. It is assumed the interior of the Subject Property is consistent with the exterior conditions as observed and that other information relied upon is accurate.

36. The submission of this report constitutes completion of the services authorized. It is submitted on the condition the client will provide reasonable notice and customary compensation, including expert witness fees, relating to any subsequent required attendance at conferences, depositions, and judicial or administrative proceedings. In the event the appraiser is subpoenaed for either an appearance or a request to produce documents, a best effort will be made to notify the client immediately.

The client has the sole responsibility for obtaining a protective order, providing legal instruction not to appear with the appraisal report and related work files and will answer all questions pertaining to the assignment, the preparation of the report, and the reasoning used to formulate the estimate of value. Unless paid in whole or in part by the party issuing the subpoena or by another party of interest in the matter, the client is responsible for all unpaid fees resulting from the appearance or production of documents regardless of who orders the work.

37. Acceptance or use of this report constitutes agreement by the client and any other users that any liability for errors, omissions or judgment of the appraiser is limited to the amount of the fee charged for the appraisal.

38. Use of this appraisal report constitutes acknowledgement and acceptance of the general assumptions and limiting conditions, special assumptions (if any), extraordinary assumptions (if any), and hypothetical conditions (if any) on which this estimate of market value is based.

39. If provided, the estimated insurable value is included at the request of the client and has not been performed by a qualified insurance agent or risk management underwriter. This cost estimate should not be solely relied upon for insurable value purposes. The appraisers are not familiar with the definition of insurable value from the insurance provider, the local governmental underwriting regulations, or the types of insurance coverage available. These factors can impact cost estimates and are beyond the scope of the intended use of this appraisal. The appraisers are not cost experts in cost estimating for insurance purposes.

40. Possession or any copy thereof does not carry with it the right of publication, nor may it be used for other than its intended use (function) the physical report remains the property of the appraiser for the use of the client--the fee being for the analytical services only.

41. This appraisal is to be used only in its entirety and no part is to be used without the entire report. The appraiser whose signature appears on the appraisal report, unless indicated as "Review Appraiser," prepared all conclusions and opinions concerning the analysis set forth in the report. No change of any item in the report shall be made by anyone other than the appraiser. The appraiser shall have no responsibility if any such unauthorized change is made.

42. The contract for appraisal, consultation or analytical services is fulfilled and the total fee payable upon completion of this report. The appraiser or those involved in preparing the report, will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part. Neither will they engage in post-appraisal consultation with client or third parties except under separate and special arrangement and at additional fee. If testimony or deposition is required because of subpoena, the client shall be responsible for any additional time, fees, and charges regardless of issuing party.

I. Certificate of Appraisal

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

1. The statements of fact contained in this appraisal report are true and correct. The opinions stated herein are based on an inspection of the Subject Property, comparable sales, and assembly of all pertinent facts.
2. I have no present or contemplated interest in the Subject Property. Neither my employment nor my compensation was contingent upon the appraised value of the property. I have no personal interest in or bias regarding either the Subject Property or the parties involved. I have not appraised this subject property before.
3. My compensation is not contingent upon the reporting of a pre-determined value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
4. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan.
5. My analyses, opinions, and conclusions were developed according to, and this appraisal report conforms to, the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of the Appraisal Foundation. This appraisal also conforms to the Code of Ethics of the Independent Fee Appraisers (IFA) of which I am an accredited member. This report may be subject to confidential peer review for Standards and Ethics compliance.
6. No one provided appraisal assistance to the person(s) signing is report.
7. This report was prepared in compliance with the Financial Institution's Reform, Recovery and Enforcement Act of 1989 (FIRREA) appraisal policies and the appraiser is in compliance with the Competency Provision.
8. All analyses, opinions, and conclusions appearing herein are the appraiser's personal, impartial, and unbiased opinions and conclusions. They are limited only by the reported assumptions and limiting conditions. No changes can be made to the text or accompanying aids without my express written authorization. Responsibility for any unauthorized changes is hereby disclaimed.
9. There are 31 numbered pages in this report, exclusive of maps, photographs, and exhibits in the body of the appraisal and in the addenda.

10. This appraisal and the appraised value conclusion contained within this report are based on a marketing period of six to twelve months except where otherwise specified.

11. No responsibility is assumed for matters legal in character or nature, matters of survey, or matters of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report.

12. The legal description used in this report was furnished by the client or his designee, or was derived by the appraiser from public records. It is assumed to be correct.

13. Please note that no advice is given regarding mechanical equipment; structural integrity or adequacy; soils and potential for settlement or drainage (seek assistance from a qualified architect and/or engineer); or for matters concerning liens, title status, and legal marketability (seek legal assistance). The lender and owner should inspect the property before any disbursement of funds. Further, it is likely that the lender or owner may wish to require mechanical or structural inspections by a qualified and licensed contractor, civil or structural engineer, architect, or other expert.

14. The appraiser has inspected as far as possible by observation the land and improvements; however it was not possible to personally observe conditions beneath the soil or hidden structural components. We have not critically inspected mechanical components in the improvements. No representations are made herein as to these matters unless specifically stated and considered in the report. The value estimate considers that there are no such conditions that would cause a loss in value. The land or the soil of the area being appraised appears firm; subsidence in the area is unknown. However, the appraiser does not warrant against this condition or occurrence of problems arising from soil conditions.

15. The appraisal is based on the assumption that there are no hidden, unapparent, or apparent conditions of the property site, subsoils, or structures or toxic materials that would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering required to discover them. All mechanical components are assumed to be in operable condition and status for properties of the subject type. Conditions of heating, cooling, ventilating, electrical, and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. We make no judgment as to adequacy of insulation, type of insulation, or energy efficiency of the improvements or equipment which is assumed standard for subject age and type.

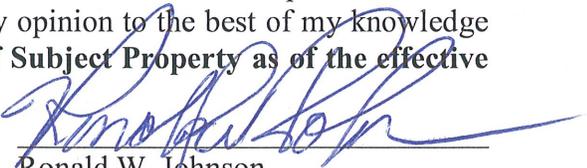
16. The appraiser assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

17. I, Ronald W. Johnson, have made a personal inspection of the Subject Property.

18. As of the date of this report, I, Ronald W. Johnson, have successfully completed the continuing education requirements of the Montana Board of Real Estate Appraisers.

19. Ronald W. Johnson personally inspected the Subject Property. He also provided consultation, direction, and guidance with regard to data collection, editing, reconciling values, and finalizing this appraisal report. The data assembled, confirmed, and analyzed is the sole responsibility of the appraiser. The undersigned licensed appraiser is solely responsible for this appraisal.

I have completed a detailed inspection of the lease hold interest and improvements and have weighted all factors herein reported. It is my opinion to the best of my knowledge and experience that the **“AS IS” market value of Subject Property as of the effective date of this appraisal is \$186,500.00**



Ronald W. Johnson
Montana Certified General Appraiser
#287

APPRAISAL SERVICES, INC.
530 N Montana, P O Box 791, Dillon, MT 59725-0791
Office (406) 683-6113 Fax (406) 683-6747 Residence (406) 683-2882
E-mail ronwjohn@qwestoffice.net

LETTER OF ENGAGEMENT

This letter is to confirm your request for Appraisal Services to prepare an appraisal report of the following property, confirming to the specifications below and in accordance with the Uniform Standards of Appraisal Practices (USPAP). The fee for this appraisal is not contingent upon the value that is determined.

Property Owner:
Montana Heritage Commission

Property Address:
Lots 1-12, Block 156
Virginia City, MT 59755

Person Ordering Appraisal: Elijah Allen

Scope of Appraisal or Testimony: AS IS Market Value

Components to be addressed: Real Property Personal Property Testimony

Legal Description to be furnished by: Elijah Allen

Type of Valuation or Testimony Requested: Appraisal- AS IS Market Value

Date Expected: As Soon As Possible

Property information needed to complete this appraisal will be provided by:
William Thomas

The total fee for this appraisal will be \$1,500.00. A retainer of N/A will be required prior to starting the appraisal assignment and deemed to be earned upon receipt. The remaining fee balance will be due upon completion of the appraisal assignment. For this amount, we will provide you with 2 original signed copies of the finished report.

Our litigation fees are based as follows: \$150.00 per hour plus expenses for litigation preparation, and \$75.00/hr for travel. If testimony is required, a minimum of \$600 plus expenses per legal appearance or \$150 per hour plus expenses for appearances over 4 hours in length will be billed.

In the event that the fees are not paid within 30 days after the amount is due, interest will accrue on the outstanding balance at the rate of 18% per annum.

Payment for services will be paid: At Inspection Monthly Upon Completion

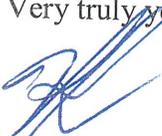
In the event of a breach of this agreement by either party and the institution of collection resulting there from, the successful party shall be entitled to attorney's fees and costs incurred in enforcing this agreement from the unsuccessful party.

The appraisal report will be addressed to:

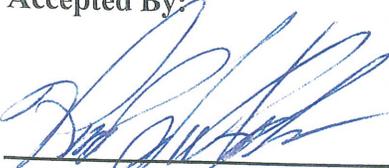
Montana Heritage Commission
PO Box338
Virginia City, MT 59755

If you agree with the foregoing, please sign and return the enclosed copy of this letter. If you have any questions, please contact me.

Thank you.
Very truly yours,


Ronald W. Johnson

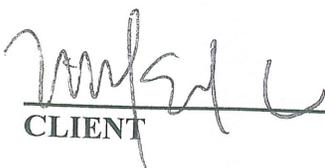
Accepted By:



APPRAISAL SERVICES, INC.



DATE



CLIENT



DATE

QUALIFICATIONS OF APPRAISER
RONALD W. JOHNSON
Montana Licensed and Certified General Appraiser
#287

Ronald W. Johnson is the owner of Johnson Realty Company, Land & Cattle Management, and Appraisal Services. Mr. Johnson has been actively engaged in agriculture and banking since 1964 and has been an appraiser since 1965. He has also been actively engaged in real estate fee appraisal since 1982 and is a licensed and "**certified general**" fee appraiser in the State of Montana. Mr. Johnson has had over **25,000 hours** of field appraisal experience during his tenure as a fee appraiser. Mr. Johnson also has extensive appraisal experience as an officer of Norwest Bank Corporation, and is also a certified Farmer Mac appraiser.

Appraisal Experience:

The Competency Rule of the Uniform Standards of Professional Appraisal Practice requires that the appraiser be able to properly identify the appraisal problem and that he have the knowledge and experience to complete the assignment competently.

This appraiser has knowledge of the western Montana market due to the fact that he is a real estate broker, a certified general appraiser, and was a senior officer of Norwest Bank corp. and in addition he did numerous appraisals for Norwest Mutual Life, and the Federal Land Bank, during which time he appraised many properties throughout western Montana. Upon leaving the banking industry after 16 years in 1982 he was senior vice president of three Norwest Banks and as such he has had extensive experience financing subdivisions and development projects. This firm has completed numerous commercial, residential, and agricultural appraisals throughout western Montana over the past 30 years. Among these are included numerous ranch appraisals and ranch/resort appraisals throughout not only southwest Montana, but a five-state area.

Additionally, the appraiser has been a rancher in Beaverhead County for many years. He also owns commercial and agricultural properties in Dillon, some of which are leased on a triple net basis.

In addition to real estate and appraisal experience, this appraiser has also developed extensive commercial, residential, and agricultural properties. Over the last 15 years, these developments have had a significant financial impact on southwestern Montana and continue to successfully generate substantial income. The development of these properties has significantly increased both this appraiser's knowledge and expertise in managing projects, not only for himself but also for clients throughout the United States. His firm has also put together some of the largest real estate sales made in the state of Montana.

Mr. Johnson has been actively engaged in banking, ranching, cattle feeding, real estate brokerage, real estate development and the appraisal field in Montana, Wyoming, Idaho, North and South Dakota since 1965. He has completed numerous and varied assignments including the following:

Single Family Dwellings	Commercial Banking Facilities
Bankruptcy	Multi-Family Dwellings & Rental Units
Right of Way/Damages	Land Exchanges
Livestock Ranches	Conservation Easements
Irrigated & Dry land Farms	Rural and City Subdivisions
Wildlife Habitat	Loan Servicing
Recreational Land	Improved Suburban Tracts
Land Divisions	Misc. Acreage Tracts
Valuation in Litigation	Estate Valuations
Court Appointed Referee	Federal Highway Right of Way Appraisal & Mediation
Personal Property Valuation	Negotiation
Expert Witness, Valuation & Business Analysis in Litigation	All types of Commercial Buildings
Appraisals from plans & specifications	
Manufacturing and Retail	

He has also completed appraisals and valuations of specialized properties such as:

Alcohol Plants	Grain Terminals
Feedlots	Auction Yards
Guest Ranches	Horse Facilities
Dairies	Hog Plants
Timber Properties	Machinery Dealerships
Asphalt Plants	Seed Plants
Hotels	Motels
Banks	Service Stations
Extended Care Facilities	Rest Homes
Gambling Casinos	Veterinary Hospitals

Other assignments have included appraisals and valuations of access rights, machinery, livestock, sprinkler systems, water rights, grazing rights, mineral rights, and hunting rights, as well as preparation of income projections and fair market rental rates, water rights, and water rights mediation.

Clients have included individual owners, attorneys, banks, accountants, and corporations. References will be furnished on request.

Employment History and Background

1964-1965	Assistant Co-Supervisor, FmHA
1965	FmHA Real Estate Appraiser
1965-1966	Real Estate Appraiser - Federal Land Bank
1966-1982	Vice President, Norwest Bank, Dillon, MT
1972-1982	Appraiser, Northwestern Mutual Life
1982-Present	President, Land & Cattle Management Co.
1982-Present	Broker, Owner, Johnson Realty Co.
1982-Present	Owner, Appraisal Services

Education

Montana State University, Bozeman
1960-1964 Major - Agr. Education
Minor - Business

Professional Training:

1964	FmHA Rural Appraisal School	120 Hrs.
1965	FmHA Residential & Commercial Appraisal	60 Hrs.
1965	Federal Land Bank - Agricultural Land Appraisal School	80 Hrs.
1966	Federal land Bank - Residential Appraisal School	15 Hrs.
1972	Residential & Commercial Law	20 Hrs.
1973	Commercial Law and Real Estate	60 Hrs.
1976	Real Estate and Banking Law	30 Hrs.
1980	Business Law and Real Estate Marketing	30 Hrs.
1980	Montana Bankers Range School	35 Hrs.
1980	Montana Real Estate Law & Probate	25 Hrs.
1984	Real Estate and Commercial Appraisal	20 Hrs.
1988	Real Estate Appraisal Law & Principles	15 Hrs.
1991	Appraisal & Real Estate Financing	20 Hrs.
1992	(State of Montana) Water Rights Mediation Training	30 Hrs.
11/92	Advanced Farm Ranch Rural Appraising	30 Hrs.
11/92	Principles of Residential Real Estate Appraising	30 Hrs.
12/92	Valuation of Timber Lands	15 Hrs.
01/93	Professional Standards of Appraisal Practice	15 Hrs.
07/93	Income Property Appraising	30 Hrs.
08/93	Market Data Analysis of Residential Real Estate	30 Hrs.
11/95	Uniform Standards of Professional Appraisal Practice	15 Hrs.
02/96	Condemnation Appraising	15 Hrs.
02/96	Litigation Valuation	15 Hrs.
01/97	Farm & Land Appraisal	15 Hrs.
01/97	Principles of Real Estate Appraisal	15 Hrs.
01/97	Practice of Real Estate Appraisal	15 Hrs.
02/97	Writing the Narrative Appraisal Report	15 Hrs.
03/97	International Right of Way Association Appraisal of Partial Acquisitions	40 Hrs.
02/98	Review Appraisal	8 Hrs.
11/98	Valuing a Business # One	12 Hrs.
12/98	Valuing a Business # Two	15 Hrs.
12/99	Standards of Professional Practice, Part A (USPAP)	15 Hrs.
12/99	Standards of Professional Practice, Part B (USPAP)	8 Hrs.
02/00	International Right of Way Association Practical Negotiations	16 Hrs.
06/00	Government Homeownership Program (Course #00-04)	4 Hrs.
12/00	Conservation Easements	4 Hrs.
02/01	Vacant Land Appraisal	8 Hrs.
02/01	The Appraiser as Expert Witness	8 Hrs.
02/01	Real Estate Fraud & The Appraiser's Role	8 Hrs.
06/01	Land Use Planning and Eminent Domain in Montana	6 Hrs.

01/03	Uniform Appraisal Standards for Federal Land Acquisitions	16 Hrs.
03/03	Uniform Standards of Professional Appraisal Practice	16 Hrs.
03/03	Residential Construction	8 Hrs.
03/03	Does My Report Comply with USPAP?	8 Hrs.
01/04	The Road Less Traveled: Special Purpose Properties	7 Hrs.
01/04	2004 National USPAP Update	7 Hrs.
02/04	Scope of Work	8 Hrs.
01/05	The Appraiser as Expert Witness	16 Hrs.
04/05	Real Estate Mapping Computer Tools	8 Hrs.
09/06	Appraisal from plans and specifications	7 Hrs.
01/07	2006 National USPAP Update	7 Hrs.
02/07	Appraising REO and Foreclosure Properties	8 Hrs.
02/07	Scope of Work	7 Hrs.
02/07	Easements, Profits, and Licenses in Land	8 Hrs.
01/09	2009 National USPAP Update	7 Hrs.
01/09	Business Practices and Ethics	7 Hrs.
02/09	Cost Approach	7 Hrs.
02/09	What's Missing?	7 Hrs.
02/09	Wind Leasing	7 Hrs.
02/09	Water Rights	8 Hrs.
02/10	Risky Business: Ways to Minimize Liability	7 Hrs.
02/10	National USPAP Update (2010-2011)	7 Hrs.
03/11	Income Capitalization	4 Hrs.
03/11	Private Appraisal Assignments	7 Hrs.
04/11	Understanding Montana Law Concerning Easements	8 Hrs.
10/11	Liens, Taxes, and Foreclosures	4 Hrs.
10/11	Fractional Ownership of Vacation Home Real Estate	4 Hrs.
02/12	Deriving and Supporting Adjustment	7 Hrs.
02/12	National USPAP Update (2012-2013)	7 Hrs.
02/13	Intro. To Complex Appraisal Assignments	7 Hrs.
02/13	National USPAP Update	7 Hrs.
03/13	Mortgage Fraud	7 Hrs.
03/13	Land and Site Valuation	7 Hrs.
02/14	Appraising Green Properties	7 Hrs.
02/14	National USPAP Update	7 Hrs.

The following is a partial list of attorneys who have engaged our services.

Gregory C. Black
129 W Park
Butte, MT
406-782-5800
Fax 406-23-8919
Qualified as Expert Witness two times

Gregory O. Morgan
409 South 22nd Avenue
Bozeman, MT
406-586-0576
Fax 406-586-8885
Qualified as Expert Witness one time

Gerald Allen
44 West Park Street
Butte, MT 59703
406-723-3879
Fax 406-782-4804

Tonya Bumbarger
298 2nd Street
Corvallis, MT 59828
406-961-3337
Qualified as Expert Witness one time

Calvin Erb
P.O. Box 1172
Dillon, MT 59725
406-683-6161
Fax 406-683-2282
Qualified as Expert Witness one time

Carl Davis
122 E. Glendale
Dillon, MT 59725
406-683-2363
Fax 406-683-6790
Qualified as Expert Witness one time

Mark Vucurovich
116 W Granite
Butte, MT
406-723-3219
Fax 406-723-9534
Qualified as Expert Witness one time

David Weaver
502 Lexington
Bozeman, MT 59715
406-582-1969
Qualified as Expert Witness one time

Cecil Jones
4225 Anderson Lane
Dillon, MT 59725
406-683-9715
Qualified as Expert Witness one time

J. Blaine Anderson
310 E. Sebree
PO Box 1425
Dillon, MT 59725
406-683-2303
Fax 406-683-2304

John Warren
122 E. Glendale
Dillon, MT 59725
406-683-2363
Fax 406-683-6790

William M. O'Leary
Corrette, Pohlman, and Kebe Law
Offices
129 West Park Street
Butte, Montana 59701
406-782-5800
Fax 406-723-8919
Qualified as Expert Witness two times

Peter W. LaPanne
LaPanne Law Firm
301 W. Spruce Street
Missoula, MT 59802-4107
406-728-5255
Fax 406-728-7044
Qualified as Expert Witness one time

Bernard J. "Ben" Everett, Esq.
Knight, Dahood, McLean & Everett,
Attorneys at Law
113 East Third Street
PO Box 727
Anaconda, MT 59711
406-563-3424
Fax 406-563-7519
Qualified as Expert Witness one time

Dave McLean
Knight, Dahood, McLean & Everett,
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Anaconda, MT 59711
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Fax 406-563-7519
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Fax 406-563-7519
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Robert T. Cummins
1 Last Chance Gulch
Helena, MT 59601
406-443-7777

Brian Marra
Woodmark Corporation
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Ridgewood, NJ 07450
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Fax 201-251-9872
Qualified as Expert Witness one time

Robert J. Randall
880 Third Avenue, thirteenth Floor
New York, New York 10022-4730
212-752-3380
Qualified as Expert Witness one time

Dave Gallik
120 E. Lyndale
Helena, MT 59601
406-443-0009
Fax 406-443-0609
Qualified as Expert Witness one time

Brian Atcheson
24 E. Broadway
Butte, MT 59701
406-782-3026
Fax 406-782-7983
Qualified as Expert Witness two times

James H. Goetz
Goetz, Gallik, Baldwin & Dolan, PC
PO Box 6580
Bozeman, MT 59771
406-587-0618
Qualified as Expert Witness one time

John Bloomquist
Doney, Crowley, Bloomquist,
Payne, Uda, PC
PO Box 1185
Helena, MT 59624
Qualified as Expert Witness two times

Patti L. Rowland
Doney, Crowley, Bloomquist,
Payne, Uda, PC
108 S. Washington
Dillon, MT 59725
Qualified as Expert Witness one time

Hertha L. Lund, Attorney at Law
Wittich Law Firm
602 S. Ferguson Avenue, # 5
Bozeman, Montana, 59718

Elaine M. Epstein, Atty.
Todd & Weld LLP
28 State Street
Boston, Massachusetts, 02109

Paul Pettit
819 W. Pine Street
Missoula, MT 59802
406-543-7259
Fax 406-543-0181
Qualified as Expert Witness one time

William R. Baldassin
PO BOX 7875
Missoula, MT 59807
406-721-2120
Qualified as Expert Witness one time

Kevin M. Funyak
Stacey & Funyak
PO Box 1139
Billings, MT 59103-1139

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Helena, MT 59601

Thomas A. Budewitz
1625 11th Avenue #1
Helena, MT 59601

Dale L. McGarvey
McGarvey, Heberling, Sullivan
& McGarvey, P.C.
745 South Main Street
Kalispell, MT 59901

Robert L Jovick Attorney at Law
P. O. Box 1245
227 South Second Street
Livingston, Montana 59047

Ronald F. Waterman
Gough, Shanahan, Johnson & Waterman
33 South Last Chance Gulch Ste. 1
P.O. Box 1715
Helena, MT 59624

Randall A. Snyder
Snyder Law Office, P.C.
8090 MT Highway 35
P.O. Box 717
Bigfork, MT 59911

Philip J. Graine
French & Graine
Attorneys at Law
324 Main SW
Ronan, MT 59864

Gary S. Deschenes
Deschenes & Sullivan
PO Box 3466
Great Falls, MT 59403

Daniel R. Sweeney
65 East Broadus
Butte, MT 59701

Steve Shapiro
9 Friendship Lane, Suite 100
Montana City, MT 59634

The following is a partial list of Lenders who have engaged our services:

State Bank and Trust Company
110 S. Idaho St.
Dillon, MT 59725

Pioneer Savings and Loan
32 N. Washington St.
Dillon, MT 59725

1st Citizens Bank
3220 Harrison Ave.
Butte, MT 59701

New York City Bank
144 Broadway Front 1
New York, NY 10018

Commerce State Bank
PO Box 179
519 East Broadway
Wausa, NE 68786

1st National Bank
PO Box 347
201 N. Wilbur
Broadus, MT 59317

New York Life Insurance Company
420 Lexington Ave.
14th & 15th Floor
New York, NY 10170

Northwestern Mutual Life
100 Washington Ave. S. #1200
Minneapolis, MN 55401

Pinnacle Bank
1702 Sheridan Ave.
Cody, WY 82414

Commerce Bank
1740 West Broadway
Idaho Falls, ID 83402

Ruby Valley National Bank
PO Box 417
107 S. Main
Twin Bridges, MT 59754

Traveler's Insurance Company
2812 1st Ave. N., Suite 303
Billings, MT 59101

City Bank & Trust Company
940 P. Street
Lincoln, NE 68508

Tier One Bank
840 N. 70th St.
Lincoln, NE 68505

Colonial Bank
5590 Thomaston Rd.
Macon, GA 31220

Evangelical Christian Credit Union
955 West Imperial Hwy
Brea, CA 92821

Harvest Capital Company
PO Box 579
Canby, OR 97013

Zion's Bank
One South Main Street
Salt Lake City, UT 84133

Strong Tower Financial Inc.
7120 North Whitney Ave. #105
Fresno, CA 93720

First Interstate Bank
401 N. 31st St.
Billings, MT 59102

Rocky Mountain Bank
101 E. Legion St.
Whitehall, MT 59759

Security Bank of Bibb County
4219 Forsyth Rd.
Macon, GA 31208

Citizens State Bank of Clara City
55 First Street NW
Clara City, MN 56222

Fortune Financial Solutions LLC
PO Box 154
Black Hawk, SD 57718

Zion's Agriculture Finance
500 5th St.
Ames, IA 50010

Eastern Shoshone Tribe Financial
3 Ethete Rd.
Ft. Washakie, WY 82514

Ravalli County Bank
224 Pinckney St.
Hamilton, MT 59840

Merit Gaming and Financial Development Group
760 Village Center Dr. #200
Burr Ridge, IL 60527



State of Montana
Business Standards Division
Board of Real Estate Appraisers

This certificate verifies licensure as:
CERTIFIED GENERAL APPRAISER

License #: **REA-RAG-LIC-287**
Status: **Active**
Expiration Date: **03/31/2015**

RONALD W JOHNSON
JOHNSON REALTY
530 N MONTANA ST
PO BOX 791
DILLON, MT 59725



RENEW OR VERIFY YOUR LICENSE AT:
<https://ebiz.mt.gov/pol/>

To use license as a Wall License, cut off excess paper and affix the above to wall for display.

Remember to renew online if possible. Benefits of renewing online include:

- The ability to change an address (for most professions)
- The ability to print license(s) the same day as the renewal
- The ability to print additional licenses for no additional charge up to 45 days following the end of the renewal cycle

To verify licenses or renew online: <https://ebiz.mt.gov/pol>

Legal Description:

Lots 1-12, Block 156, Virginia City, Montana: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 in Block 156 of the Original Townsite of Virginia City, the plat of which is on file and of record in the office of Clerk and Recorder, records of Madison County, Montana.



Cover Sheet

This commitment was prepared for you by:

First American Title Company

122 South First Street/P.O. Box 899, Ennis, MT 59729
Phone (406)682-5337 - Fax (406)682-5335

Escrow Officer: Cindy Sullivan - csullivan@gofirstam.com
Title Officer: Abby Thomas - athomas@gofirstam.com

To: **Montana Heritage Commission**
PO Box 338
Virginia City, MT 59755

Order No.: **491519-MA**

Attention: **Elijah Allen**

Your Reference:

ENCLOSED please find the following:

- Title Commitment
-

Should you have any questions or need further assistance, please contact the undersigned. We appreciate the opportunity to serve you.

Sincerely,

Abby Thomas

enc.



Commitment for Title Insurance

ALTA PLAIN LANGUAGE COMMITMENT

AGREEMENT TO ISSUE POLICY

We agree to issue a policy to you according to the terms of the Commitment. When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within six (6) months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the policy is issued and then our obligation to you will be under the policy.

Our obligation under this Commitment is limited by the following:

The Provisions in Schedule A.

The Requirements in Schedule B-I.

The Exceptions in Schedule B-II.

The Conditions.

This Commitment is not valid without SCHEDULE A and Sections I and II of SCHEDULE B.

CONDITIONS

1. DEFINITIONS

(a) "Mortgage" means mortgage, deed of trust or other security instrument. (b) "Public Records" means title records that give constructive notice of matters affecting your title according to the state statutes where your land is located.

2. LATER DEFECTS

The Exceptions in Schedule B - Section II may be amended to show any defects, liens or encumbrances that appear for the first time in the Public Records or are created or attach between the Commitment Date and the date on which all of the Requirements (a) and (c) of Schedule B - Section I are met. We shall have no liability to you because of this amendment.

3. EXISTING DEFECTS

If any defects, liens or encumbrances existing at Commitment Date are not shown in Schedule B, we may amend Schedule B to show them. If we do amend Schedule B to show these defects, liens or encumbrances, we shall be liable to you according to Paragraph 4 below unless you knew of this information and did not tell us about it in writing.

4. LIMITATION OF OUR LIABILITY

Our only obligation is to issue to you the Policy referred to in this Commitment, when you have met its Requirements. If we have any liability to you for any loss you incur because of an error in this Commitment, our liability will be limited to your actual loss caused by your relying on this Commitment when you acted in good faith to:

Comply with the Requirements shown in Schedule B - Section I or Eliminate with our written consent any Exceptions shown in Schedule B - Section II.

We shall not be liable for more than the Policy Amount shown in Schedule A of this Commitment and our liability is subject to the terms of the Policy form to be issued to you.

5. CLAIMS MUST BE BASED ON THIS COMMITMENT

Any claim, whether or not based on negligence, which you may have against us concerning the title to the land must be based on this Commitment and is subject to its terms.

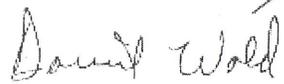
Issued through the Office of:

First American Title Company
122 South First Street/P.O. Box 899, Ennis, MT 59729

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

Authorized Signature

By  President
And  Secretary



Commitment for Title Insurance

ALTA PLAIN LANGUAGE COMMITMENT

INFORMATION

The Title Insurance Commitment is a legal contract between you and the Company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

The Policy contains an arbitration clause. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or you as the exclusive remedy of the parties. You may review a copy of the arbitration rules at <http://www.alta.org/>.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT. YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

If you have any questions about the Commitment, contact First American Title Company (406)682-5337

TABLE OF CONTENTS

INFORMATION	Front Page
AGREEMENT TO ISSUE POLICY	Back Page
CONDITIONS	Back Page
SCHEDULE A	Insert
1. Commitment Date	
2. Policies to be Issued, Amounts and Proposed Insureds	
3. Interest in the Land and Owner	
4. Description of the Land	
SCHEDULE B	Insert
SCHEDULE B - I REQUIREMENTS	Insert
SCHEDULE B - II EXCEPTIONS	Insert

FILE NO.: 491519-MA

FIRST COMMITMENT

SCHEDULE A

1. Commitment Date : **January 15, 2014 at 7:30 A.M.**

2. Policy or Policies to be issued:

	Policy Amount	Premium Amount
Owner's Policy Standard Owner's Policy (6/17/06) ORT Form 4309 (Premium amount reflects \$no available credit)	\$ 200,000.00	\$ 795.50

Proposed Insured:
Madison County

3. A fee simple interest in the land described in this Commitment is owned, at the Commitment Date, by:

Montana Historical Society, an agency and political subdivision of the State of Montana

4. The land referred to in this Commitment is described as follows:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 in Block 156 of the Original Townsite of Virginia City, the plat of which is on file and of record in the office of the Clerk and Recorder, records of Madison County, Montana.

FILE NO.: 491519-MA

SCHEDULE BI AND BII

SCHEDULE B-SECTION I

REQUIREMENTS

The following requirements must be met:

- (a) Pay the agreed amounts for the interest in the land and/or the mortgage to be insured.
- (b) Pay us the premiums, fees and charges for the policy.
- (c) Documents satisfactory to us creating the interest in the land and/or the mortgage to be insured must be signed, delivered and recorded.
- (d) You must tell us in writing the name of anyone not referred to in this Commitment who will get an interest in the land or who will make a loan on the land. We may then make additional requirements or exceptions.
- (e) Release(s) or Reconveyance(s) of items(s) **per instruction**.
- (f) If any document in the completion of this transaction is to be executed by an attorney-in-fact, the Power of Attorney must be submitted for review prior to closing.
- (g) You must give us the following information:
 - 1. Any off record leases, surveys, etc.
 - 2. Statement(s) of identity, all parties.
 - 3. Other.
- (h) We require a certified copy of the resolution authorizing the sale and directing the execution of the forthcoming deed.

FILE NO.: 491519-MA

SCHEDULE B -SECTION II

EXCEPTIONS

The policy or policies to be issued will contain exceptions to the following unless the same are disposed of to the satisfaction of the Company.

PART I:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title including discrepancies, conflicts in boundary lines, shortage in area, or any other facts that would be disclosed by an accurate and complete land survey of the land, and that are not shown in the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.
6. Any liens, or rights to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.
7. Any right, title or interest in any minerals, mineral rights or related matters, including but not limited to oil, gas, coal and other hydrocarbons, sand, gravel or other common variety materials, whether or not shown by the public records.
8. County road rights-of-way not recorded and indexed as a conveyance of record in the office of the Clerk and Recorder pursuant to Title 70, Chapter 21, M.C.A., including, but not limited to any right of the Public and the County of Madison to use and occupy those certain roads and trails as depicted on County Surveyor's maps on file in the office of the County Surveyor of Madison County.
9. 2013 taxes are exempt.

NOTE: The foregoing numbered exceptions (1-4 and 6) may be eliminated in an ALTA Extended or HOMEOWNER'S Coverage Policy.

INFORMATIONAL NOTES

- A. As an accommodation and not part of this commitment, no liability is assumed by noting the following conveyances describing all or a part of the subject property, which have been recorded within the last 24 months: None
- B. Other than as shown in Schedule B; we find no Judgment Liens, State Tax Liens, Federal Tax Liens or Child Support Liens of record which attach to the name(s) or interest of the vested owner and/or proposed insured owner/borrower.



OLD REPUBLIC NATIONAL TITLE INSURANCE AGENCY PRIVACY POLICY NOTICE

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Old Republic National Title Insurance Company.

We may collect nonpublic information about you from the following sources:

- Information we received from you such as on applications or other forms.
- Information about your transactions we secure from our files, or from others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform services on our behalf or with whom we have joint market agreements:

- Financial services providers such as companies engaged in banking, consumer finance, securities and insurance.
- Non-financial companies such as envelope stuffers and other fulfillment service providers.

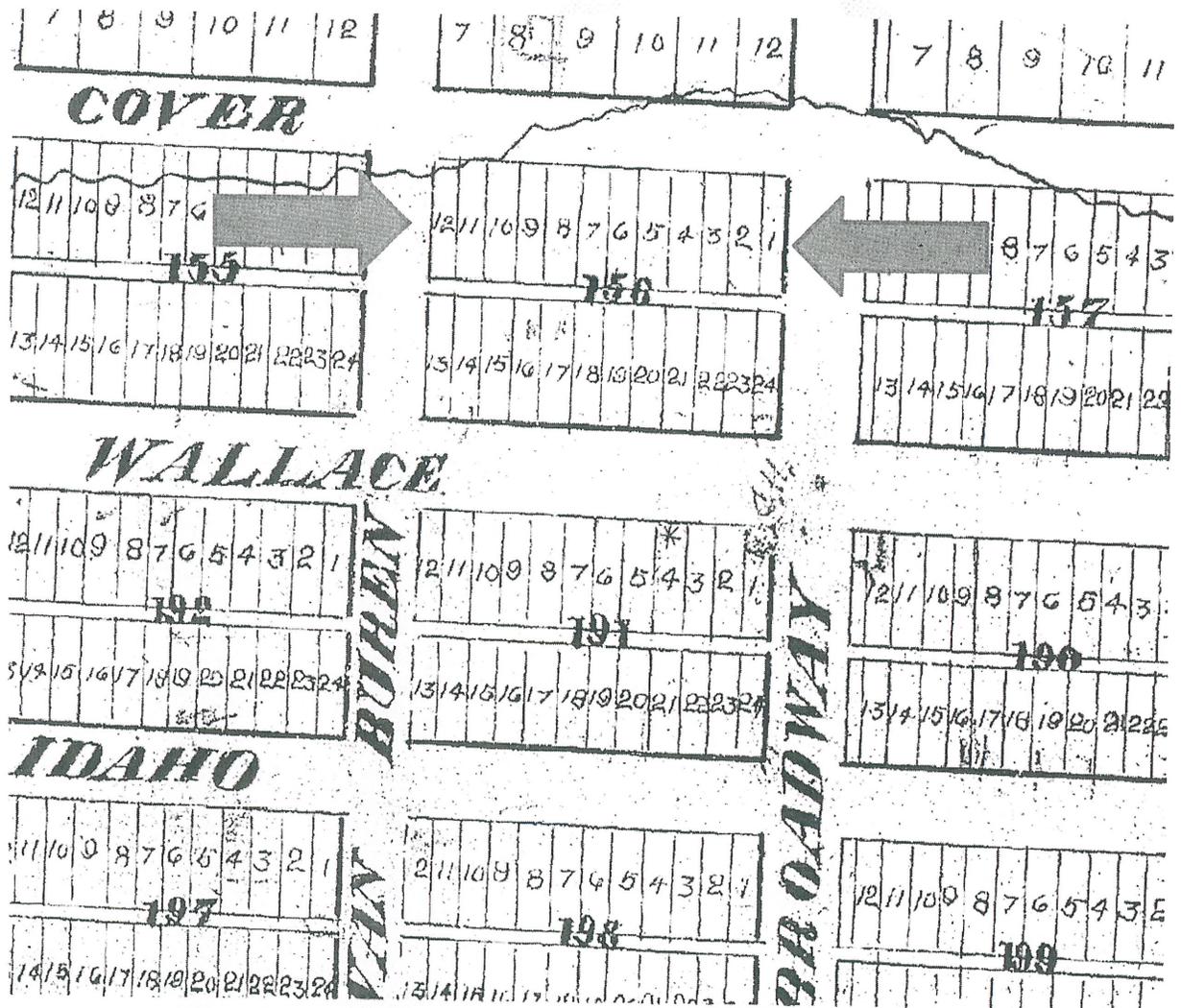
We do not disclose any nonpublic personal information about you with anyone for any purpose that is not specifically permitted by law.

We restrict access to nonpublic information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

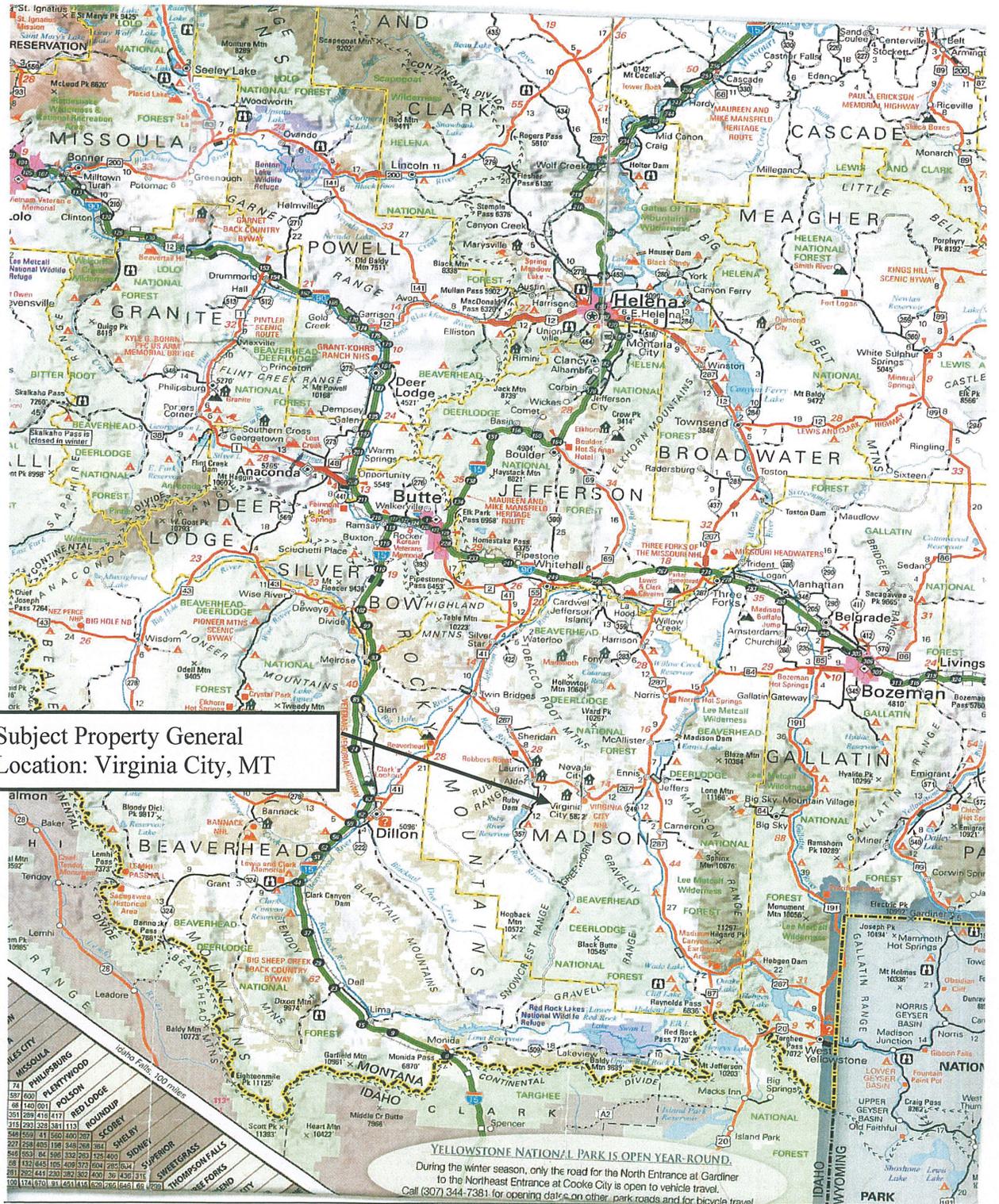
Subject Property Location Map



Appendix B: Plat map and photo showing lots to be sold:



General Location Subject Property Map



Subject Property General
Location: Virginia City, MT

YELLOWSTONE NATIONAL PARK IS OPEN YEAR-ROUND.
During the winter season, only the road for the North Entrance at Gardiner to the Northeast Entrance at Cooke City is open to vehicle travel.
Call (307) 344-7381 for opening dates on other park roads and for bicycle travel.

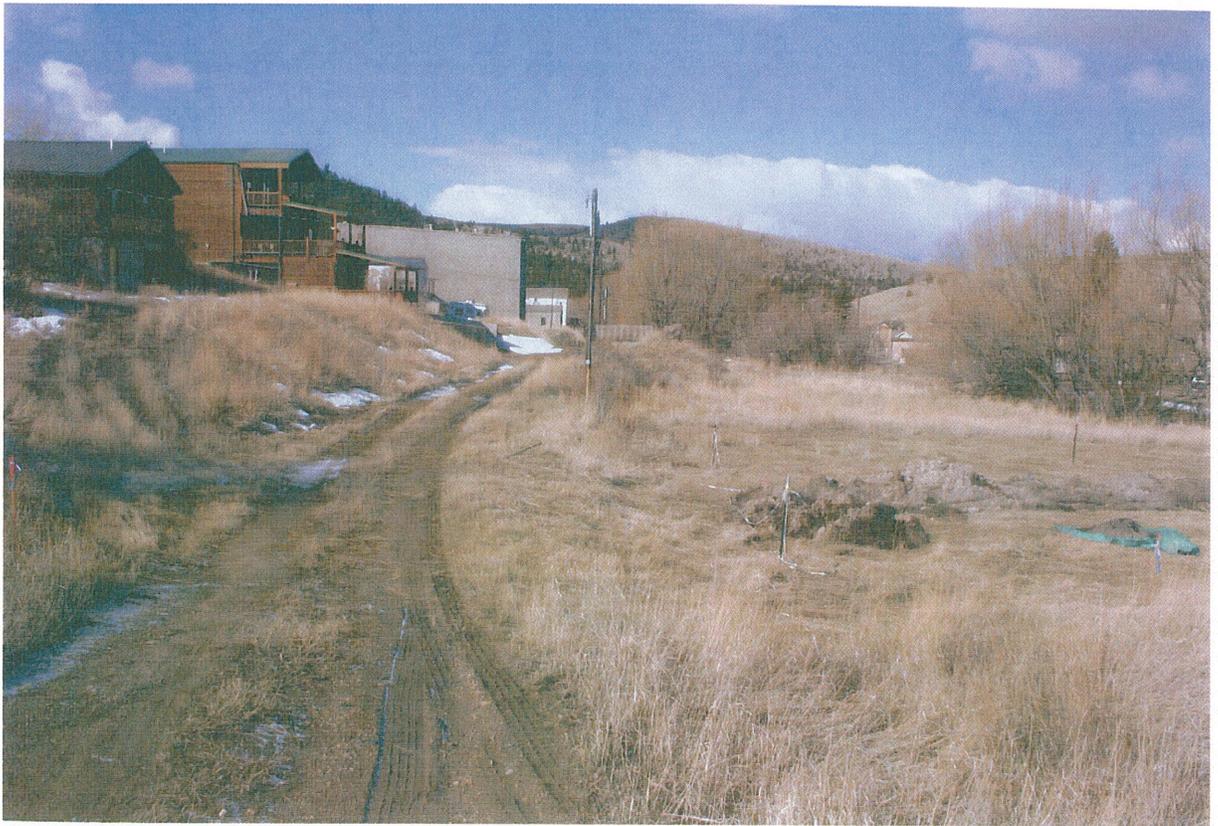
Access From Broadway-Looking Towards South



Access From Broadway-Looking North
(East Boundary)



South Boundary-Looking West



East Boundary



Wallace Street-Looking West
North Boundary



Looking South-Wallace Street
Approximately West Boundary



Wallace Street-Looking East
North Boundary



Looking North
Lots 1-4



Looking North/West
Lots 5-7



Looking North
Lots 8-12



South Boundary-Looking East



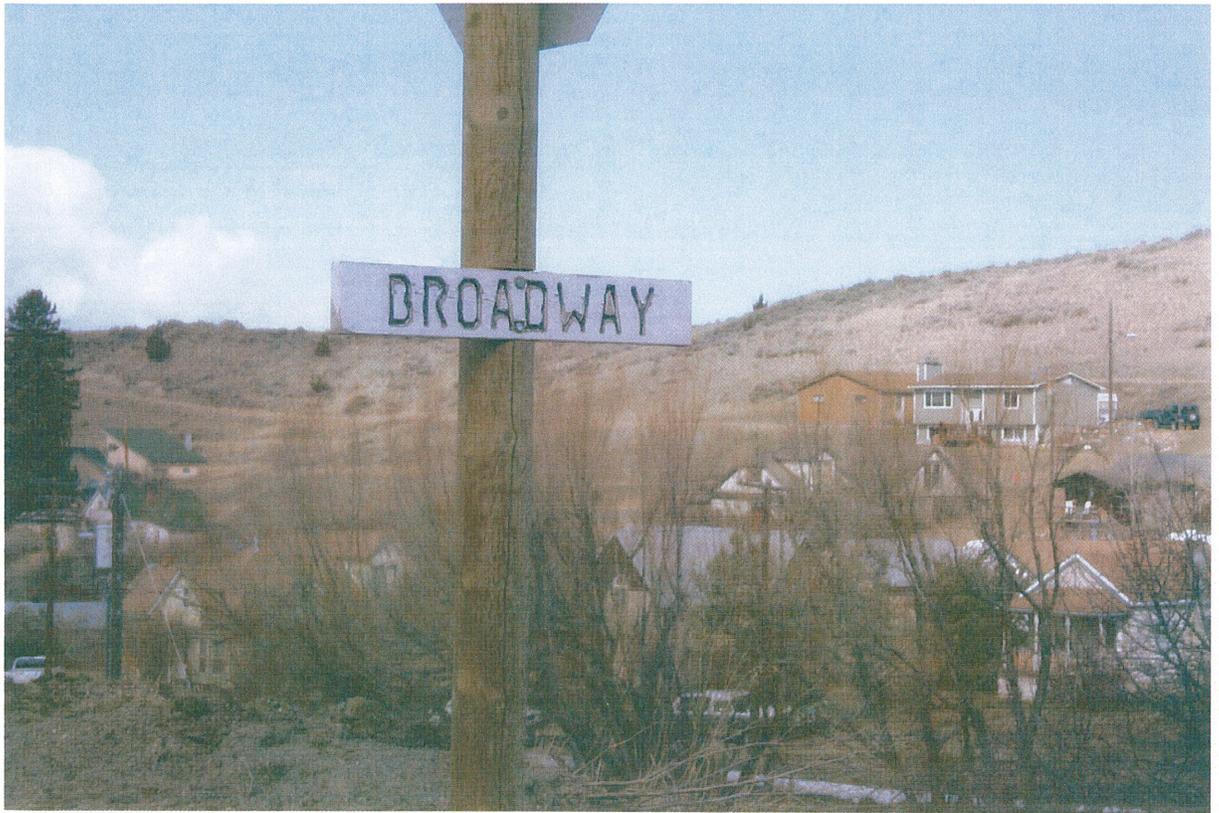
Sewer on the South Boundary



Electrical and Telephone on South Boundary



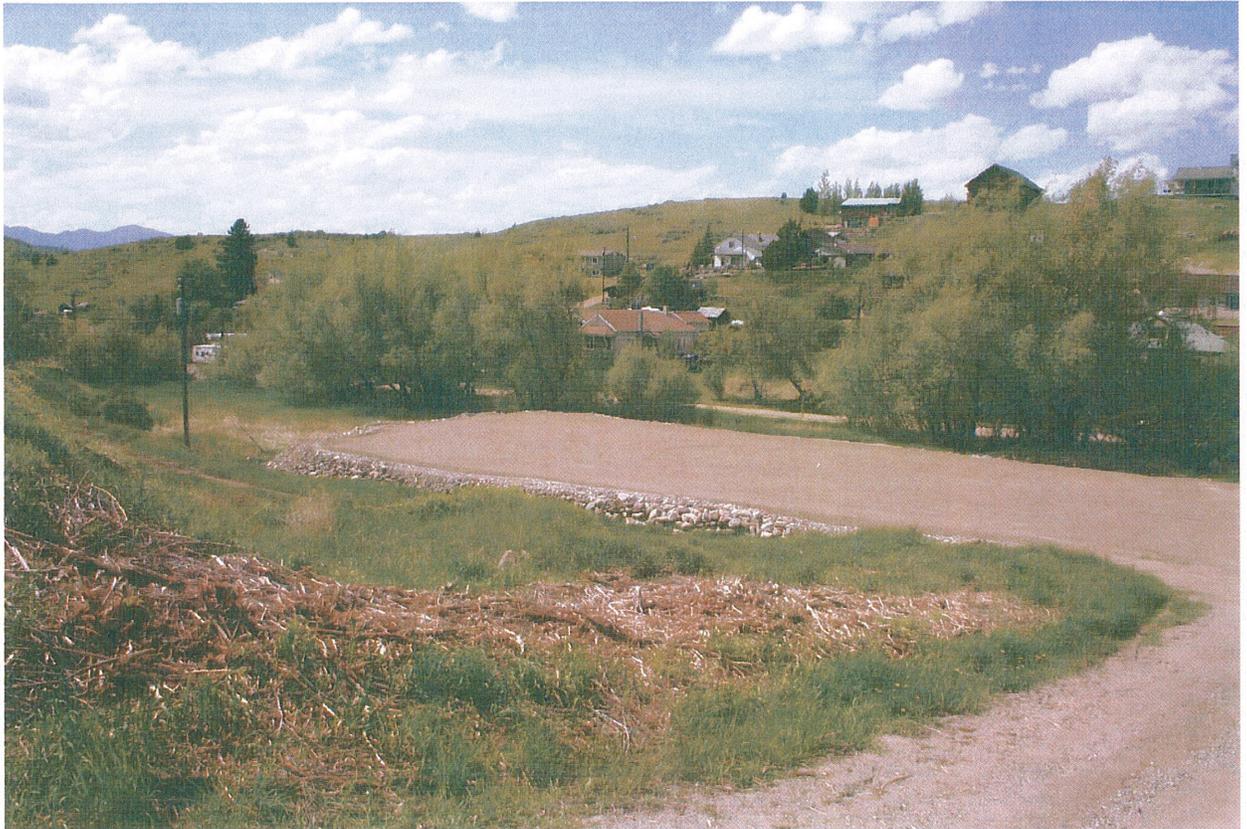
Broadway is the East Boundary



Van Buren Street-Is adjacent to the West Boundary



Newly Installed Pad on the Subject Property



Comparable Sales Map



Subject Property

Comp Sale #1

Comp Sale #2

Comp Sale #3

74	PHILIPSBURG
527 600	PLETTYWOOD
68 140 001	POISON
351 289 416 417	RED LODGE
315 293 528 381 113	ROUNDUP
348 556 41 560 001 27	SCOREY
227 259 403 156 346 288 384	SHELBY
549 653 84 598 332 263 125 400	SNOWY
68 432 445 105 409 373 604 285 634	SUPERIOR
81 125 441 220 283 367 609 36 436 318	SWEETGRASS
109 174 670 31 453 144 626 96 654 6 621	THOMPSON FALLS

YELLOWSTONE NATIONAL PARK IS OPEN YEAR-ROUND.
 During the winter season, only the road for the North Entrance at Gardiner to the Northeast Entrance at Cooke City is open to vehicle travel.
 Call (307) 344-7381 for opening dates on other park roads and for bicycle travel.

150578 RECORDS Pages: 2
STATE OF MONTANA MADISON COUNTY
RECORDED: 05/07/2013 4:00 KOI: DEED
Peggy Kaatz Stemler CLERK AND RECORDER
FEE: \$14.00 BY: *J. Mumme, Deputy*
TO: FIRST AMERICAN TITLE COMPANY PO BOX 899, ENNIS MT 59729

pm
pm

AND WHEN RECORDED MAIL TO:

First American Title Company
PO Box 899
Ennis, MT 59729

Filed for Record at Request of:
First American Title Company

Space Above This Line for Recorder's Use Only

Order No.: 440296-MA
Parcel No.: 7014200

WARRANTY DEED

FOR VALUE RECEIVED,

Lark Receiving, Inc.

hereinafter called Grantor(s), as part of winding up affairs of Grantor, do(es) hereby grant, bargain, sell and convey unto

Ruby Valley Hospital District

whose address is: **PO Box 336, Sheridan, MT 59749**

Hereinafter called the Grantee, the following described premises situated in **Madison County, Montana**, to-wit:

A tract of land situated within Acre Tract 100 of the townsite of Sheridan, located in the SW¼ of Section 26, Township 4 South, Range 5 West, P.M.M., Madison County, Montana, more particularly shown as Parcel A of Wing Minor Subdivision, according to the plat thereof filed in Book 2 of Plats, page 166, records of Madison County, Montana.

SUBJECT TO covenants, conditions, restrictions, provisions, easements and encumbrances apparent or of record.

TO HAVE AND TO HOLD the said premises, with its appurtenances unto the said Grantees and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations, restrictions, easements of record, and easements visible upon the premises, and that Grantor will warrant and defend the same from all lawful claims whatsoever.

Dated: May 07, 2013

Lark Receiving, Inc.

Kathy McClanahan

By: Kathy McClanahan, President and
Secretary-Treasurer

Comp Sale #1 w/ Site Where Home was Removed



Comp Sale #1
View #2



Comp Sale #1-
View #3-with \$44,000 Mobile Home for Sale



150579 RECORDS Pages: 2
STATE OF MONTANA MADISON COUNTY
RECORDED: 05/07/2013 4:00 KOI: DEED
Peggy Kaatz Stemler CLERK AND RECORDER
FEE: \$14.00 BY: *[Signature]*
TO: FIRST AMERICAN TITLE COMPANY PO BOX 899, ENNIS MT 59729

pm
pm

AND WHEN RECORDED MAIL TO:

Filed for Record at Request of:
First American Title Company

Space Above This Line for Recorder's Use Only

Order No.: 440178-MA
Parcel No.: 7014250

WARRANTY DEED

FOR VALUE RECEIVED,

Ross W. Roylance

hereinafter called Grantor(s), do(es) hereby grant, bargain, sell and convey unto

Ruby Valley Hospital District

whose address is: **PO Box 336, Sheridan, MT 59749**

Hereinafter called the Grantee, the following described premises situated in **Madison County, Montana**, to-wit:

Parcel B of Wing Minor Subdivision, situated within Acre Tract 100 of the Town of Sheridan, located in the SW¼ of Section 26, Township 4 South, Range 5 West, P.M.M., Madison County, Montana, according to Book 2 of Plats, page 166.

SUBJECT TO covenants, conditions, restrictions, provisions, easements and encumbrances apparent or of record.

TO HAVE AND TO HOLD the said premises, with its appurtenances unto the said Grantees and to the Grantee's heirs and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that the Grantor is the owner in fee simple of said premises; that said premises are free from all encumbrances except current years taxes, levies, and assessments, and except U.S. Patent reservations, restrictions, easements of record, and easements visible upon the premises, and that Grantor will warrant and defend the same from all lawful claims whatsoever.

Dated: May 07, 2013

[Signature]

Ross W. Roylance

Comp Sale #2

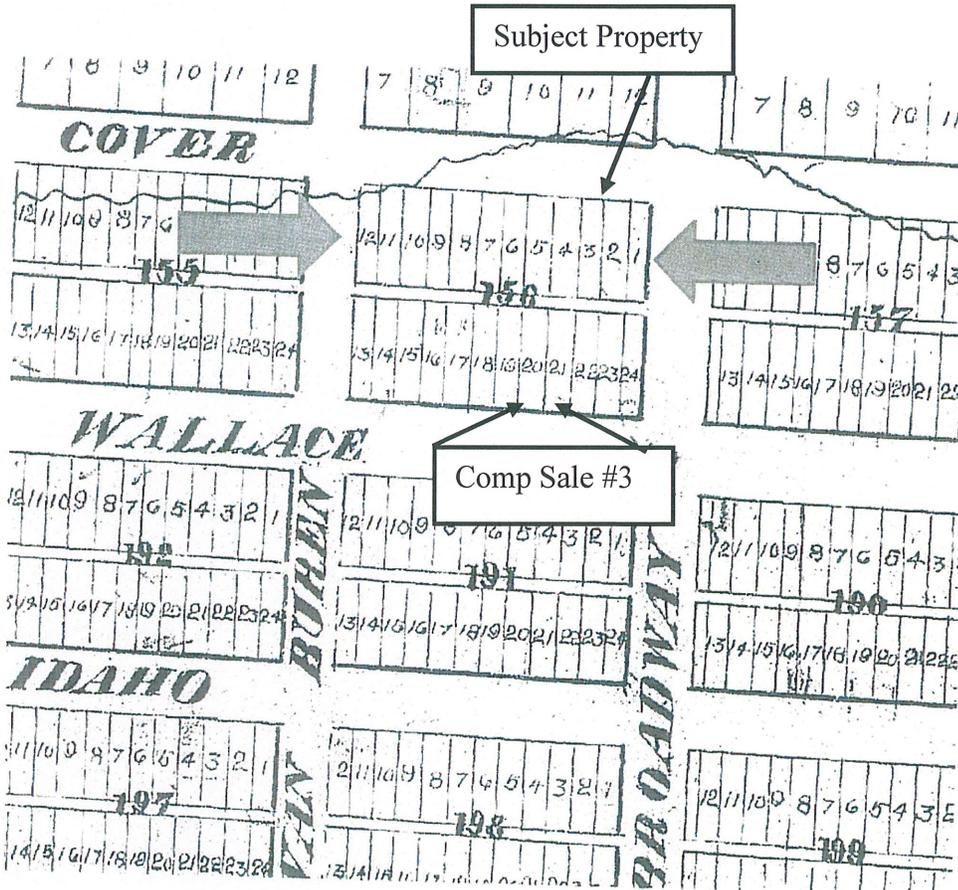


Comp Sale #2-
View #2



Comp Sale #3
E 21 Ft Lot 20, Lot 21, Block 156
Virginia City, MT

Appendix B: Plat map and photo showing lots to be sold:



A. U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT SETTLEMENT STATEMENT 	B. TYPE OF LOAN		
	1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FHMA	3. <input type="checkbox"/> CONV. UNINS.
	4. <input type="checkbox"/> VA	5. <input type="checkbox"/> CONV. INS.	
	6. FILE NUMBER: 2-7578		7. LOAN NUMBER
	8. MORTGAGE INS. CASE NO.:		

C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. NAME & ADDRESS OF BORROWER: Madison County, a body politic
P.O. Box 278, Virginia City, MT 59755

E. NAME & ADDRESS OF SELLER: Loren Tucker
P.O. Box 36, Virginia City, MT 59755

F. NAME & ADDRESS OF LENDER:

G. PROPERTY LOCATION: E 21 Ft Lot 20, Lot 21, Block 156, Virginia City, Virginia City, MT 59755

H. SETTLEMENT AGENT: American Land Title Company
PLACE OF SETTLEMENT: 3 Geysler Street, P.O. Box 1248, Ennis, MT 59729-1248 (406) 682-5299

I. SETTLEMENT DATE: 5/07/2007 Final

J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due From Borrower:		400. Gross Amount Due To Seller:	
101. Contract sales price	80,000.00	401. Contract sales price	
102. Personal property		402. Personal property	
103. Settlement charges to borrower: (line 1400)	139.00	403.	
104.		404.	
105.		405.	
Adjustments For Items Paid By Seller In Advance:		Adjustments For Items Paid By Seller In Advance:	
106. City/town taxes to		406. City/town taxes to	
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
113.		413.	
114.		414.	
115.		415.	
116.		416.	
120. Gross Amount Due From Borrower:	80,139.00	420. Gross Amount Due To Seller:	
200. Amounts Paid By Or In Behalf Of Borrower:		500. Reductions In Amount Due To Seller:	
201. Deposit or earnest money	1,000.00	501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)		502. Settlement charges to seller (line 1400)	
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff 1st Mtg. Ln.	
205.		505. Payoff 2nd Mtg. Ln.	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments For Items Unpaid By Seller:		Adjustments For Items Unpaid By Seller:	
210. City/town taxes to		510. City/town taxes to	
211. County taxes 01/01/07 to 05/07/07	15.44	511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower:	1,015.44	520. Total Reductions In Amount Due Seller:	
300. Cash At Settlement From/To Borrower:		600. Cash At Settlement From/To Seller:	
301. Gross amount due from borrower (line 120)	80,139.00	601. Gross amount due to seller (line 420)	
302. Less amount paid by/for borrower (line 220)	1,015.44	602. Less reductions in amount due seller (line 520)	
303. Cash (<input checked="" type="checkbox"/> FROM) (<input type="checkbox"/> TO) Borrower:	79,123.56	603. Cash (<input type="checkbox"/> TO) (<input type="checkbox"/> FROM) Seller:	0.00

L.		SETTLEMENT	CHARGES	Escrow: 2-7578		
700. Total Sales/Broker's Commission:						
Based On Price \$		@	% =			
Division of Commission (line 700) As Follows:						
701. \$	to				Paid From Borrower's Funds At Settlement	Paid From Seller's Funds At Settlement
702. \$	to					
703. Commission paid at settlement						
704.						
800. Items Payable In Connection With Loan:						
801. Loan Origination fee			%			
802. Loan Discount			%			
803. Appraisal fee to:						
804. Credit report to:						
805. Lender's inspection fee						
806. Mortgage insurance application fee to						
807. Assumption fee						
808.						
809.						
810.						
811.						
812.						
813.						
814.						
815.						
816.						
900. Items Required By Lender To Be Paid In Advance:						
901. Interest from		to	@ \$	/day	(0 days)	
902. Mortgage insurance premium for		mo. to				
903. Hazard insurance premium for		yrs. to				
904. Flood insurance premium for		yrs. to				
905.						
906.						
1000. Reserves Deposited With Lender:						
1001. Hazard insurance		0 months @ \$		0.00 per month		
1002. Mortgage insurance		0 months @ \$		0.00 per month		
1003. City property taxes		0 months @ \$		0.00 per month		
1004. County property taxes		0 months @ \$		0.00 per month		
1005. Annual assessments		0 months @ \$		0.00 per month		
1006. Flood insurance		0 months @ \$		0.00 per month		
1007.		0 months @ \$		0.00 per month		
1008. Aggregate Adjustment						
1009.						
1100. Title Charges						
1101. Settlement or closing fee to American Land Title Company					125.00	
1102. Abstract or title search to						
1103. Title examination to						
1104. Title insurance binder to						
1105. Document preparation to						
1106. Notary fees to						
1107. Attorney's fees to						
(includes above item Numbers:)		
1108. Title insurance to						
(includes above item Numbers:)		
1109. Lender's coverage \$						
1110. Owner's coverage \$						
1111.						
1112.						
1113.						
1114.						
1200. Government Recording and Transfer Charges:						
1201. Recording fees: Deed \$ 14.00			:Mortgage \$:Releases \$	14.00
1202. City/county tax/stamps: Deed \$:Mortgage \$	
1203. State tax/Stamp: Deed \$:Mortgage \$	
1204.						
1205.						
1300. Additional Settlement Charges:						
1301. Survey to						
1302. Pest inspection to						
1303.						
1304.						
1305.						
1306.						
1307.						
1308.						
1309.						
1310.						
1311.						
1312.						
1313.						
1400. Total Settlement Charge (Enter on line 103, Section J, and - line 502, Section K)					139.00	

SELLER'S AND/OR BORROWER'S STATEMENT

Escrow: 2-7578

The Seller's and Borrower's signatures hereon acknowledge their approval and signify their understanding that tax and insurance prorations and reserves are based on figures for the preceding year or supplied by others or estimated for the current year, and in the event of any change for the current year, all necessary adjustments will be made between Borrower and Seller directly. Any deficit in delinquent taxes or mortgage payoffs will be promptly reimbursed to the Settlement Agent by the Seller.

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

I hereby authorize the Settlement Agent to make expenditures and disbursements as shown above and approve same for payment.

Borrowers/Purchasers

Sellers

Madison County, a body politic

By: _____
David Schulz, Chairman

By: _____
Lewis Stahl

By: _____
James P. Hart

Commissioners
Madison County, Montana

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent: _____ Date: _____
Jody L. Maurer, American Land Title Company

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine or imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

Comp Sale #3
Upper Portion



Comp Sale #3
View of Lot 20 and Lot 21





InteResources Planning, Inc.

Cultural & Natural Resources Planning ◦ Research ◦ Project Coordination

December 5, 2013

Elijah Allen
Executive Director
Montana Heritage Commission
300 Wallace St.
Virginia City, MT59755

Reference: Field Work Summary Report
Limited Archaeological Test Excavations and Evaluation in Support of
Planned Land Exchange for County Parking Lot
Lot 156, Blocks 1-4, southwest corner of Broadway and Cover Streets
Virginia City, Madison County, Montana

This document will serve as a preliminary field work summary report for the referenced project. Field work was carried out by staff of *InteResources Planning, Inc.*, from October 28 through November 26, 2013. A total of 12 person days was spent on the field work. An additional 4.5 person days was devoted to background historical research for the property and project administration.

This report briefly summarizes the scope of the field work and initial interpretation of findings. A detailed project summary report will be completed after all artifacts are processed and analyzed, and all data is reviewed and assembled.

The goal of the field work was to perform a limited sub-surface examination of the subject property to determine the potential for encountering significant archaeological remains such as intact artifact concentrations, cultural or structural features, and similar information. The project was planned in consultation with the Montana State Archaeologist. The goal was not intended to be an exhaustive data recovery, but an indicator of what expectations there are of finding any cultural deposits that can add to the knowledge of Virginia City history.

The property is located at the southwest corner of the intersection formed by Broadway and Cover Streets. At present, the site is a vacant lot with grasses located north of the alley that bisects Lot 156. Today, Daylight Creek flows in a westerly direction along the north side of Lots 1-4, along the south edge of Cover Street. Early historical maps show the creek was located along the south edge of Lots 1-4, prior to 1907. This information indicates that there is a high potential of prior ground disturbance to Lots 1-4, as the creeks was diverted to its present location.

Historical research of deeds, maps, and other records indicates that the general area of Lots 1-4 in Block 156 had a one story log dwelling structure near the corner of Cover and Broadway Streets sometime prior to 1871. A structure in the correct location of the intersection appears on the 1871 Birds Eye Map of Virginia. The structure appears as "vacant" on the Sanborn Fire Insurance Maps of December 1884, August 1890, and January 1904. The Sanborn Map of October 1907 shows the same structure in the same location but without the label of "vacant," and the location of Daylight Creek is shown in its present location along the south edge of Cover Street. The final Sanborn Map for Virginia City (1922) shows no structure of any kind on Lots 1-4 of Block 156.

Preliminary research of property deeds indicates that Lots 1-4 were originally owned by Samuel Russell, with an original purchase date sometime about 1868. Mr. Russell was officially granted the platted land for the property by the newly created City of Virginia in 1868, after filing of the original U.S. Land Grant on behalf of the city. County deed records show that Russell sold Lots 1-4 of Block 156 to Livinus Daems on September, 1870. The estate of Mrs. Marie Daems transferred the property to her heirs in October of 1909. No records or other information have been found yet to confirm the original construction date of the log structure that appears on the 1871 map.

From this information, archaeological excavations targeted the question of potentially finding structural or Artifactual remains indicating the original location, date of construction, and use of the historic log dwelling structure depicted on historic maps. Initial surface inspection of the site indicated no artifacts or obvious soil changes, largely due to the heavy matt of grasses. Some large boulders were found on the surface in an alignment perpendicular to the south bank of Daylight Creek, near the west edge of Broadway. The stones are interpreted to be related to stabilization of the creek bed and a possible ditch that once was located along the west side of Broadway.

Field work included the controlled hand-excavation of two test units, one measuring 2-by-2 feet, and the other 3-by3 feet in the northeast corners of the lots. Both excavation units revealed a light concentration of mixed historic artifact fragments and butchered bones. The size and fragmentation of the artifacts indicates the strong possibility that the artifacts have been moved from their original location of use and deposition, resulting in breakage. Artifact deposits were found to extend only about 20-24" below the surface, the layer being situated on a dense water-logged clay layer void of any cultural material. The water table exists at approximately 3' below surface, corresponding to the approximate water level of Daylight Creek.

Due to the high density clay layer, hand auguring of the site was found to be not feasible. When excavations showed low concentrations and not structural features, a mechanical backhoe with 24" wide bucket was used to excavate two intersecting trenches across the site. The north-south trench measured approximately 45 yards in length and was placed to capture the possible location of the former log structure as well as any possible indications of the original location of Daylight Creek. The east-west trench measured approximately 60 yards in length and was placed to optimize the possibility of finding any structural remains, foundations, logs, or artifact deposits indicating the location of the cabin.

Only isolated areas of random mixtures of historic artifacts were found. Low quantities of artifact concentrations suggest the possibility of random dumping on the surface of the empty lot after about 1920. The close vertical proximity of the water table and dense sub-layer of clay suggests that any log structure would have once been placed on the then ground surface. Backhoe trenching near the alley of Block 156 showed highly mixed soils with no clear indication of the original cross-section of Daylight Creek in that area. All of this information combines to suggest the high likelihood that the limited and shallow artifact remains we see at the site are the result of post-1920 secondary dumping.

In summary, our limited inspection of the site suggests that there are no significant intact archaeological deposits to be encountered on the property. There is also a very low potential for buried human remains to exist on the property. I recommend that the planned land transfer not be hampered by any cultural resource issues. However, if any cultural material or buried human remains are encountered during construction or maintenance of the parking lot, work should be halted immediately to allow for contact with the Montana State Archaeologist.

Scott L. Carpenter
President
Archaeologist/Cultural Resources Planner



MADISON COUNTY, MONTANA

Madison County Detail

- [Home](#)
- [Tax Search](#)
- [Doc Search](#)

05/20/14

MADISON COUNTY

Page: 1

Property Print 2013

Name	TW	Rang	SC	Legal Description
1027778 MONTANA HISTORICAL SOCIETY DM & L ATTORNEYS AT LAW 201 W MAIN ST MISSOULA MT 59802-4334	1-	156		VIRGINIA CITY ORIG TOWNSITE, Geocode: 0421-22-4-25-15-0000 LOT 1 - 12
	20-	157		VIRGINIA CITY ORIG TOWNSITE, Geocode: 0421-22-4-26-08-0000 LOT 20 - 24
	1-	157		VIRGINIA CITY ORIG TOWNSITE, Geocode: 0421-22-4-26-14-0000 LOT 1 - 5
	12-	152		VIRGINIA CITY ORIG TOWNSITE, Geocode: 0421-22-4-27-06-0000 LOT 12
	11-	151		VIRGINIA CITY ORIG TOWNSITE, Geocode: 0421-22-4-28-01-0000 LOT 11
	16-	151		VIRGINIA CITY ORIG TOWNSITE, Geocode: 0421-22-4-28-06-0000 LOT 16 - 20
	6-	151		VIRGINIA CITY ORIG TOWNSITE, Geocode: 0421-22-4-28-16-0000 LOT 6
Class	Dist	Quantity	Market	Taxable/\$
4-2150 Exempt Res./Sub. Land/1 Acre F 01		0.68	19240	0.00
4-2150 Exempt Res./Sub. Land/1 Acre F 01		0.28	9619	0.00
4-2150 Exempt Res./Sub. Land/1 Acre F 01		0.28	9619	0.00
4-2150 Exempt Res./Sub. Land/1 Acre F 01		0.10	5334	0.00
4-2150 Exempt Res./Sub. Land/1 Acre F 01		0.10	5334	0.00
4-2150 Exempt Res./Sub. Land/1 Acre F 01		0.54	15650	0.00
4-3149 Residential/Suburban Exempt Im 01		0.00	18617	0.00
4-2150 Exempt Res./Sub. Land/1 Acre F 01		0.10	5334	0.00

If you do not get a search result that you expect, please verify the Tax Year when searching for tax information.

Property Record Card

Summary

Primary Information

Property Category: RP **Subcategory:** Real Property
Geocode: 25-0421-22-4-25-15-0000 **Assessment Code:** 0001027778
Primary Owner: **PropertyAddress:**

MONTANA HISTORICAL SOCIETY
 201 W MAIN ST
 MISSOULA, MT 59802-4334

COS Parcel:

NOTE: See the Owner tab for all owner information

Certificate of Survey:

Subdivision: VIRGINIA CITY ORIG TOWNSITE

Legal Description:

VIRGINIA CITY ORIG TOWNSITE, S22, T06 S, R03 W, BLOCK 156, Lot 1 - 12

Last Modified: 5/8/2014 4:05:15 AM

General Property Information

Neighborhood: 012 **Property Type:** EP - Exempt Property
Living Units: 0 **Levy District:** 25-4545-11N
Zoning: **Ownership %:** 100

Linked Property:

No linked properties exist for this property

Exemptions:

No exemptions exist for this property

Condo Ownership:

General: 0 **Limited:** 0

Property Factors

Topography: 4 **Fronting:** 4 - Residential Street
Utilities: 0 **Parking Type:**
Access: 3 **Parking Quantity:**
Location: 5 - Neighborhood or Spot **Parking Proximity:**

Land Summary

<u>Land Type</u>	<u>Acres</u>	<u>Value</u>
Grazing	0.000	00.00
Fallow	0.000	00.00
Irrigated	0.000	00.00
Continuous Crop	0.000	00.00
Wild Hay	0.000	00.00
Farmsite	0.000	00.00
ROW	0.000	00.00
NonQual Land	0.000	00.00
Total Ag Land	0.000	00.00
Total Forest Land	0.000	00.00

Total Market Land 0.689 00.00

Deed Information:

Deed Date	Book	Page	Recorded Date	Document Number	Document Type
5/16/1997	408	475			

Owners

Party #1

Default Information: MONTANA HISTORICAL SOCIETY
201 W MAIN ST

Ownership %: 100

Primary Owner: "Yes"

Interest Type: Conversion

Last Modified: 1/28/2013 11:37:32 AM

Other Names

Other Addresses

Name	Type	Other Addresses
DM & L ATTORNEYS AT LAW	C - Contact Name	No other address

Appraisals

Appraisal History

Tax Year	Land Value	Building Value	Total Value	Method
2013	40014	0	40014	COST
2012	40014	0	40014	COST

Market Land

Market Land Item #1

Method: Sqft **Type:** 1 - Primary Site

Width: **Depth:**

Square Feet: 30,012 **Acres:**

Valuation

Class Code: 2150 **Value:**

Dwellings

Existing Dwellings

No dwellings exist for this parcel

Other Buildings/Improvements

Outbuilding/Yard Improvements

No other buildings or yard improvements exist for this parcel

Commercial

Existing Commercial Buildings

No commercial buildings exist for this parcel

Ag/Forest Land

Ag/Forest Land

No ag/forest land exists for this parcel

Water Rights:

On May 20, 2014 I checked the DNRC Water Right Query System website and there were no water rights recorded.