



Valbridge

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TO: David White
Idaho Department of Parks and Recreation

FROM: Vicki Mundlin, MAI
Valbridge Property Advisors | Auble, Jolicoeur, & Gentry, Inc.

DATE: January 30, 2014

RE: Revised Appraisal Report – Heyburn State Park Recreational Residence Sites
Valbridge Job No. ID01-14-0005-000
Client Purchase Order No. C2014-003

The following pages/sections of the report have been revised:

- Page 2 of the Cover Letter
- Summary of Salient Facts (Page 1 of Report)
- Chatcolet Lot Valuation (Pages 42-43, 45, and 47)
- Rocky Point Lot Valuation (Page 52)
- Float Home Valuation (Pages 68-71)
- Reconciliation (Page 72)



Valbridge
PROPERTY ADVISORS

Heyburn State Park Recreational Residence Sites

Heyburn State Park
Benewah County



Idaho Department of Parks & Recreation

Mr. David White
North Region Manager
2885 W. Kathleen Avenue, Suite 1
Coeur d'Alene, ID 83815

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January 24, 2014

Mr. David White
North Region Manager
Idaho Department of Parks & Recreation
2885 W. Kathleen Avenue, Suite 1
Coeur d'Alene, ID 83815

RE: Heyburn State Park Recreational Residence Sites
Benewah County

Dear Mr. White:

At your request, I have appraised the property referenced above to form an opinion of the Market Value of the Fee Simple Interest, as of January 2 to 13, 2014, the dates on which I inspected the various areas and residence sites that are the subject of this appraisal and report. The results of the appraisal are presented in the following appraisal report. This appraisal report sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to my value opinions.

The property is known as Heyburn State Park Recreational Residence Sites, located within Heyburn State Park, in Benewah County, Idaho. The site contains 165 sites, of which, 23 are float home sites, 54 are primary frontage home sites and 88 are secondary home sites.

I developed my analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA); the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of my client as I understand them.

The Idaho Department of Parks & Recreation (IDPR) is the client in this assignment and is the sole intended user of the appraisal and report, although we understand the appraisal may be shared with the lessees. The intended use is to establish a fair market value of each leased site as if they are owned in Fee Simple estates. IDPR will use the fair market value of each site as the basis for determining annual rent, which is fixed as a percentage of fair market value. The sites are appraised under the hypothetical condition that they are "vacant and unimproved." We have not had the benefit of survey markers, nor a title report that outlines easements, or encroachments. These lots are appraised under the extraordinary assumption that there are no substantial encroachments or easements that would affect value, based on the hypothetical condition described above.

For upland recreational residence sites, the following definition of "vacant and unimproved" is used.

A vacant and unimproved lot is land that has been defined and designated administratively for a single recreation residence, but is neither surveyed nor platted, with electrical, water and sewer service available to the lot line, and with legal and physical access.

For float home sites, the following definition of "vacant and unimproved" is used.

A vacant and unimproved float home site is a length of shoreline and corresponding adjacent surface water that has state authorization for placement of a single recreation float home residence and associated boat garage, but is neither surveyed nor platted and with walk-in, or boat-in access.

The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report. The individual estimates for each of the 164 sites are summarized in the analysis section of this report on the pages summarized below.

VALUE INDICATIONS & CONCLUDED VALUE RANGES

Value Premise	Page Numbers	As Is
Value Sought:		Market Value
Dates of Value:		January 2 to 13, 2014
Lake Chatcolet Lots	40 to 49	\$33,750 to \$54,000
Rocky Point, Primary Lots	50 to 63	\$48,000 to \$96,000
Rocky Point, Secondary Lots	50 to 63	\$31,500 to \$45,000
Hawley's Landing Primary Lots	64 to 66	\$75,000 to \$90,000
Hanson's Haven Lot	67	\$97,500
Float Home Sites	68 to 71	\$37,500

This letter of transmittal must be accompanied by all sections of this report as outlined in the Table of Contents, in order for the value opinions set forth above to be valid.

Respectfully submitted,
 Valbridge Property Advisors
 Auble, Jolicoeur & Gentry, Inc.



Vicki K. Mundlin, MAI
 Senior Managing Director
 Certified General Appraiser
 Idaho State License #CGA-411
 vmundlin@valbridge.com

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Certification

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
8. Vicki K. Mundlin, MAI, made a personal inspection of the property that is the subject of this report.
9. Kayla E. Wilson, Researcher, assisted in writing the property descriptions, collecting comparable data, and confirming comparables. No one else provided significant real property appraisal assistance to the person signing this certification.
10. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. As of the date of this report, I, Vicki K. Mundlin, MAI, have completed the continuing education program of the Appraisal Institute.
13. I have not performed a previous appraisal of the subject property involving the subject property within the three years prior to this assignment.



Vicki K. Mundlin, MAI
Idaho State Certified General Appraiser #CGA-411
Expiration Date: 3/16/2014

General Assumptions & Limiting Conditions

This appraisal is subject to the following limiting conditions:

1. The legal description is assumed to be correct.
2. We accept no responsibility for matters legal in character, nor do we express any opinion about the quality of the title which is assumed to be marketable. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, we assume that the subject property has no encroachments, zoning violations or adverse restrictions.
4. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
5. Unless expressly specified in this Agreement, the fee for this appraisal does not include attending or testifying at any court, regulatory or other proceedings, or any conferences or other work in preparation for such proceeding(s). If any partner or employee of Auble, Jolicoeur & Gentry, Inc., is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Auble, Jolicoeur & Gentry, Inc. for the time that its employees spend in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
6. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
7. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.
8. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property and/or understanding the appraisal analysis. We accept no responsibility for the accuracy of these documents.
9. The appraiser has made no survey of the property. Although we have developed our estimates of property size and other property characteristics from sources that we believe to be reliable, we have not independently verified the accuracy of the information and assume no responsibility for its accuracy.
10. The information, estimates and opinions which were obtained from sources outside of this office, are assumed to be reliable. We have not verified the information and assume no liability for its accuracy.

11. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Auble, Jolicoeur & Gentry, Inc. Valbridge Property Advisors, Inc. has not been engaged to provide this report, does not provide valuation services, and has taken no part in the preparation of this report.
12. Possession of this appraisal report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
13. We claim no expertise in matters which require specialized investigation or knowledge beyond levels common among real estate appraisers. Examples of these matters include, but are not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
14. This appraisal was prepared for the sole and exclusive use of the client. Any party who is not the client identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Auble, Jolicoeur & Gentry, Inc. and Client. The appraiser assumes no liability for unauthorized use of the appraisal report by a third party.
15. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
16. The value opinion provided herein is subject to any and all predications set forth in this report.
17. If required by governmental authorities, any environmental impact statement prepared for the subject property will be favorable and will be approved.
18. Unless otherwise noted in the body of this report, we assume that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
19. Unless expressly granted in writing, this appraisal is not intended to be used, and may not be used, on behalf of or in connection with a real estate syndicate or syndicates. A real estate syndicate means a general or limited partnership, joint venture, unincorporated association or similar organization formed for the purpose of, and engaged in, an investment or gain from and interest in real property, including, but not limited to a sale or exchange, trade or development of such real property, on behalf of others, or which is required to be registered with the United States Securities and Exchange Commission or any state regulatory agency which regulates investments made as a public offering. It is agreed that any user of this appraisal who uses it contrary to the prohibitions in this section indemnifies the appraiser and the appraiser's firm and holds them harmless of and from all claims, including attorney's fees, arising from said use.

20. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.
21. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
22. It is your responsibility to read the report and to inform the appraiser of any errors or omissions of which you are aware, prior to utilizing the report.
23. This report and any associated work files are subject to evaluation by Valbridge Property Advisors, Inc. for quality control purposes.
24. All disputes shall be settled by binding arbitration in accordance with then then-existing commercial arbitration rules of the American Arbitration Association (the "AAA").
25. Acceptance of and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

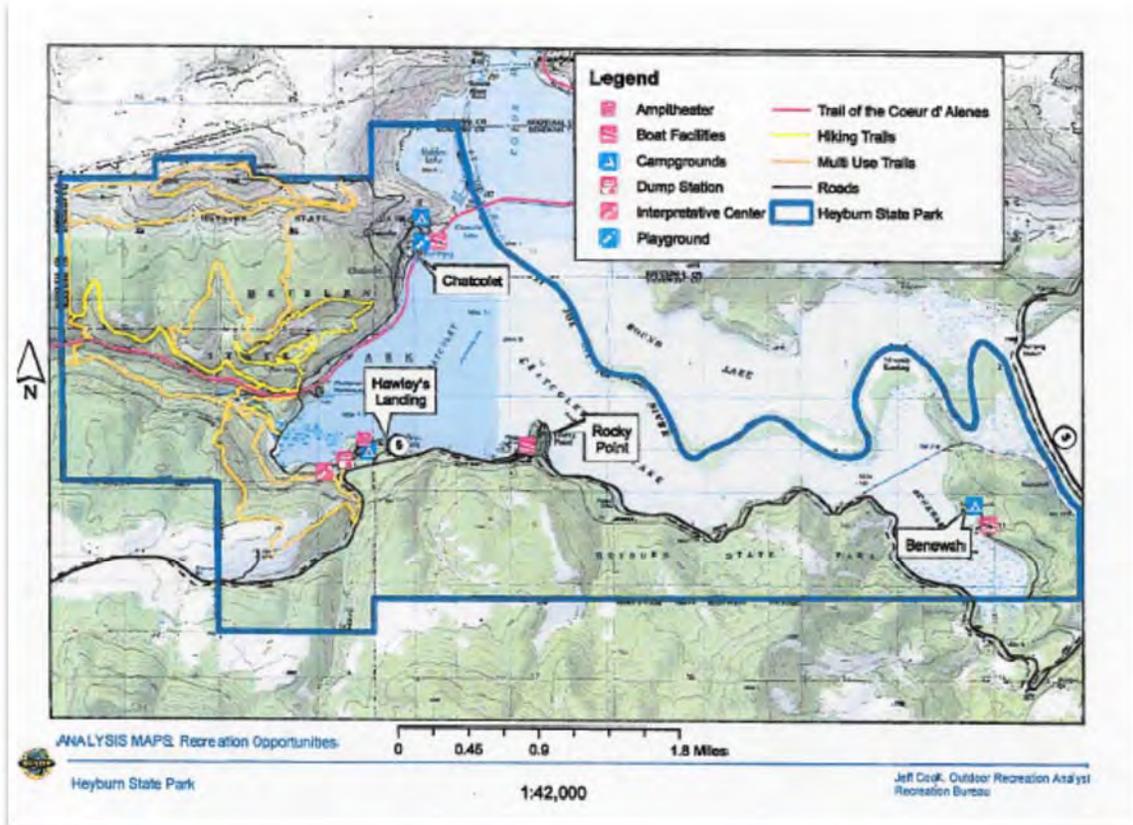
Summary of Salient Facts

Property Name:	Heyburn State Park Recreational Residence Sites
Address:	Heyburn State Park Benewah County
Assessor's Parcel Numbers:	No parcel numbers due to the subject property being located on state land.
Property Rights Appraised:	Fee Simple (Hypothetical Condition)
Current Zoning:	N/A
Site Size:	Varies
Extraordinary Assumptions:	Yes, see body of report.
Hypothetical Conditions:	Yes, see body of report.
Highest and Best Use As Vacant:	Recreational Residence Sites
Dates of Inspection:	January 2 to 13, 2014
Date of Report Preparation:	January 24, 2014

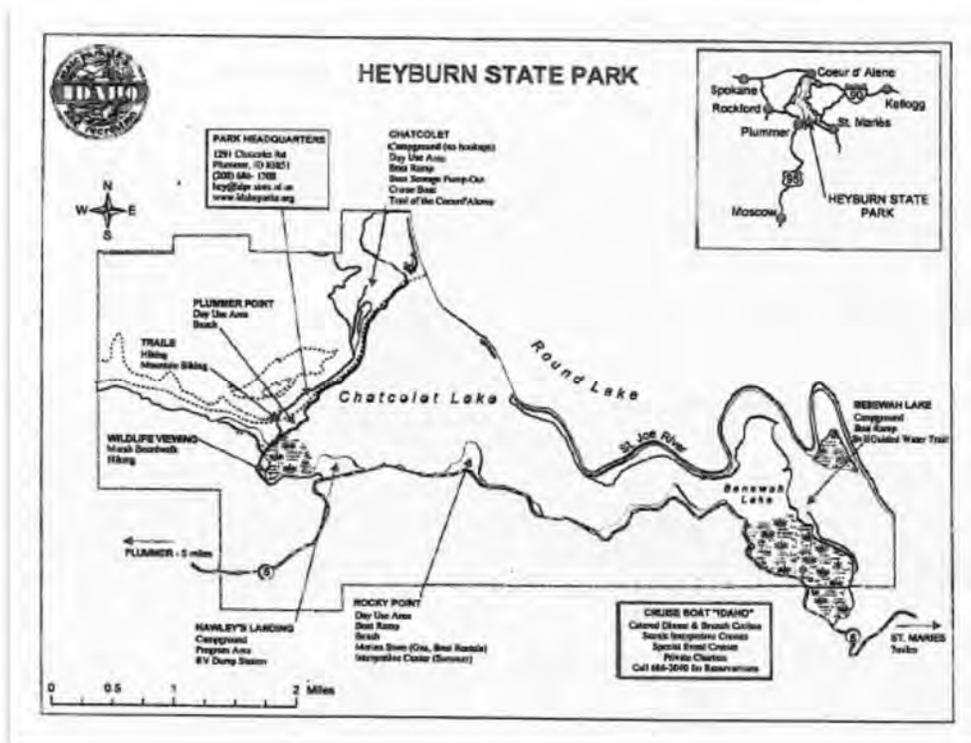
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Hanson's Haven Lot	67	\$97,500
Float Home Sites	68 to 71	\$37,500

PARK OVERVIEW



PARK OVERVIEW



Introduction

Client and Other Intended Users of the Appraisal

The client in this assignment is Idaho Department of Parks & Recreation. The intended user of this report is Idaho Department of Parks & Recreation, and we understand the appraisal may be shared with the lessees during the negotiation of the upcoming lease renewal.

Intended Use of the Appraisal

The intended use of this appraisal and report is to establish a fair market value of each lease site as if they were owned in fee title.

Real Estate Identification

The subject property is located within Heyburn State Park, Benewah County, The parcels are identified by Idaho State Parks and Recreation by lot numbers and Lease Identification Numbers

Legal Description

There is no legal description for these residential lots as they are on state owned land. No formal survey has been performed by the State of Idaho to provide legal descriptions for each lot. They are assumed to conform to the site size estimate provided by IDPR for this appraisal.

Real Property Interest Appraised

I have appraised the Fee Simple Interest in the subject lots based on the hypothetical condition they are under Fee Simple ownership.

Appraisal Problem/Valuation Scenarios

VALUATION SCENARIOS

Valuation	Completed
Market Value "As Is"	Yes
Prospective Market Value "Upon Completion"	No
Prospective Market Value "Upon Stabilization"	No
"Insurable Value"/"Replacement Cost"	No

Please refer to the Glossary in the Addenda section for the definition(s) of value type employed in this report.

Effective Dates of Value

The effective dates of value are January 2 to 13, 2014, the dates upon which I inspected the various areas of the subject sites.

Date of Report

The date of this report is January 24, 2014, the date of the letter of transmittal. My conclusions reflect current market conditions.

Scope of Work

The scope of work includes all steps taken in the development of the appraisal. This includes: 1) the extent to which the subject property is identified, 2) the extent to which the subject property is inspected, 3) the type and extent of data researched, 4) the type and extent of analysis applied, and 5) the type of appraisal report prepared. These items are discussed as follows:

Extent to Which the Property is Identified

- **Legal Characteristics:** The subject was legally identified with maps provided by the client. Heyburn State Parks lies within Township 46 North; Ranges 3 and 4, WBM; and within Township 47 North, Range 3, WBM. The individual leased sites are described by lease number for the purposes of this appraisal report, which also coincides with aerial overlays that depict lot numbers within each of the described areas being analyzed.
- **Economic Characteristics:** Economic characteristics of the subject property were identified with comparison to properties with similar locational and physical characteristics.
- **Physical Characteristics:** The 165 identified sites are appraised under the hypothetical condition that they are vacant and unimproved, and each lot was physically inspected.

Extent to Which the Property is Inspected

I inspected portions of the subject on January 2, January 7, and January 10, and January 13, 2014.

Type and Extent of the Data Researched

I researched and analyzed: 1) market area data, 2) property-specific, market-analysis data, 3) zoning and land-use data, and 4) current data on comparable listings, sales, and rentals in the competitive market area.

Type and Extent of Analysis Applied

I observed surrounding land use trends, demand for the subject property, and relative legal limitations in concluding a highest and best use. I then valued the subject based on the highest and best use conclusion, relying on the Sales Comparison Approach.

Type of Appraisal and Report Option

This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a (S-R Rule). This format states and summarizes various sources of information pertinent to the appraisal.

Use of Real Estate as of the Effective Date of Value

The subject property consists of residential sites and was being used as such, as of the Effective Date of Appraisal.

Ownership and Sales History

I was not provided with a title report. According to the Benewah County Assessor's office, the current owner is the State of Idaho. The subject property has been developed as a State Park since the early 1900s; therefore, there have been no sales of this property.

List of Items Requested but Not Provided

None

Hypothetical Conditions

The sites are appraised under the hypothetical condition that they are "vacant and unimproved."

Extraordinary Assumptions

We have not had the benefit of survey markers, nor a title report that outlines easements, or encroachments. These lots are appraised under the extraordinary assumption that there are no substantial encroachments or easements that would affect value, based on the hypothetical condition described above.

This is reasonable given the proposed use to set annual lease rates as described above, but would not be reasonable if the lots were made available for purchase by the lessees.

Region & Market Area Analysis

REGIONAL MAP

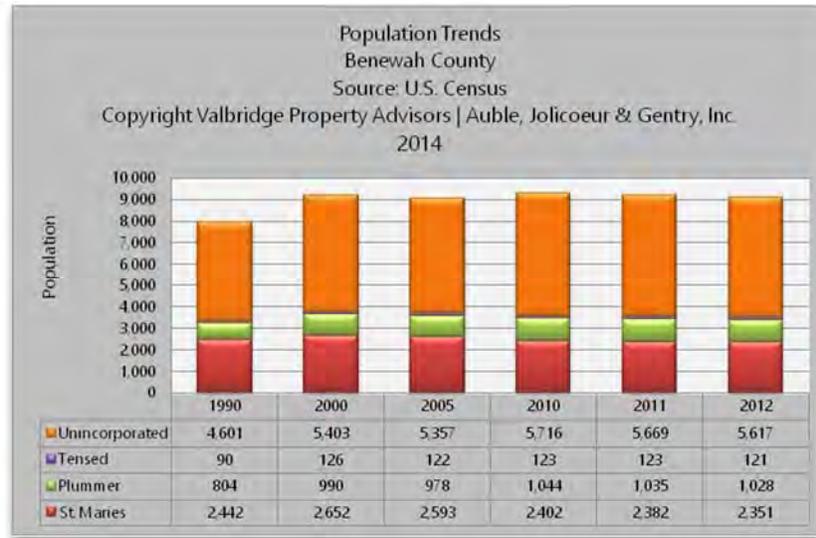


Overview

Benewah County, with the county seat of St. Maries, is located in northern Idaho. It is bordered by Washington State to the west, Latah County on the South, Shoshone County to the east and Kootenai County on the north. Benewah County covers 776 square miles which rank it 34th out of the 44 Idaho counties. A small portion of Lake Coeur d'Alene is within Benewah County as well as the St. Joe and St. Maries Rivers which flow westerly and north westerly through the county, respectively. Mountainous terrain covers the majority of the county with rolling hills near the farming and timber communities on the western side. Coeur d'Alene Tribe and the Coeur d'Alene Indian Reservation occupy the northwestern portion of the county, in Plummer, Idaho.

Population

Benewah County's most current population estimate, from 2012, is 5,617, slightly down from the 2011 estimate. The population of Benewah County increased nearly 17% from the 1990 to 2000 census and increased almost a half a percent from 2000 to 2010. Current estimates reflect a slight decrease in the population with the most significant changes within the unincorporated county population. The chart below depicts the population trends in Benewah County since 1990.



Per Capita Income & Median Area Income

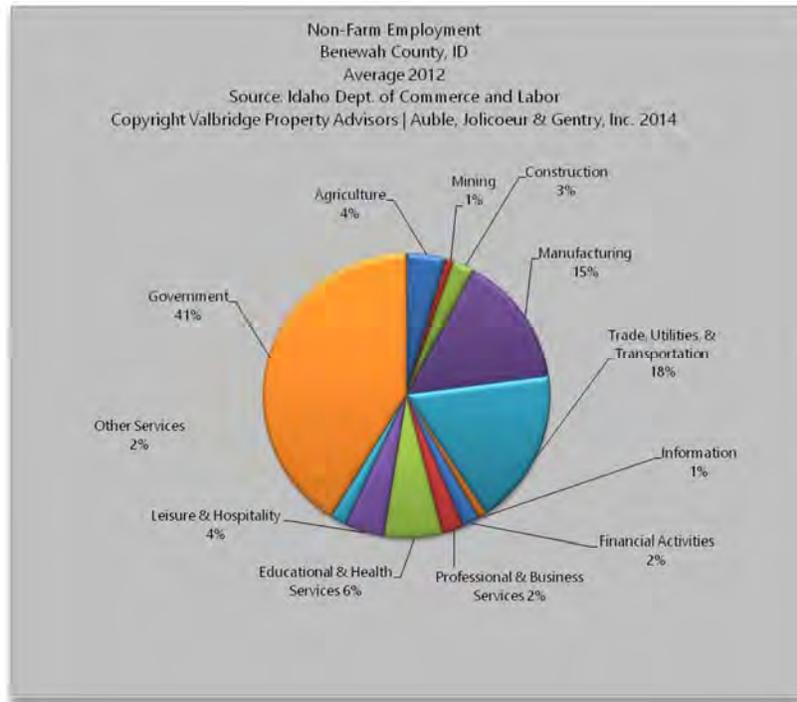
As depicted in the graph below, per capita income in Benewah County has grown steadily but at a slower pace than in the state as a whole until recently. In years 2011 and 2012 Benewah County Per Capita Personal income actually exceeded that of Idaho State. According to the United States Department of Housing and Urban Development the median income for 2012 is \$47,000 with 2013 median income lower at \$44,400.



Employment

Historically, Benewah County has had a resource-based economy from timber and agriculture. To this day, Benewah County is still heavily dependent on the timber industry. There are several timber mills producing dimensional timber and timber products at several locations. Farming is predominant in the western part where the terrain is more rolling, and the soils are deeper. Coeur d'Alene Lake and the St. Joe and St. Maries

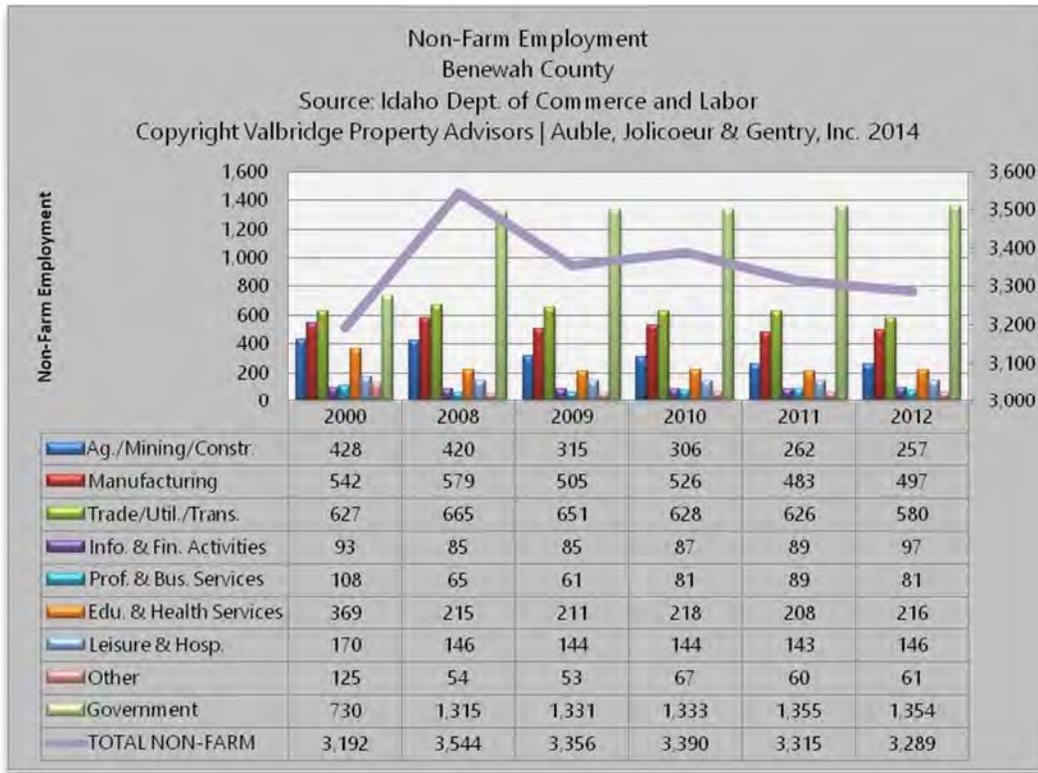
Rivers offer abundant recreation and some recreational income to the county. Some areas of the county are gradually undergoing transition to a rural home site/recreation/retirement base, but resources still dominate the economy. The graphic below shows the distribution of job types within Benewah County.



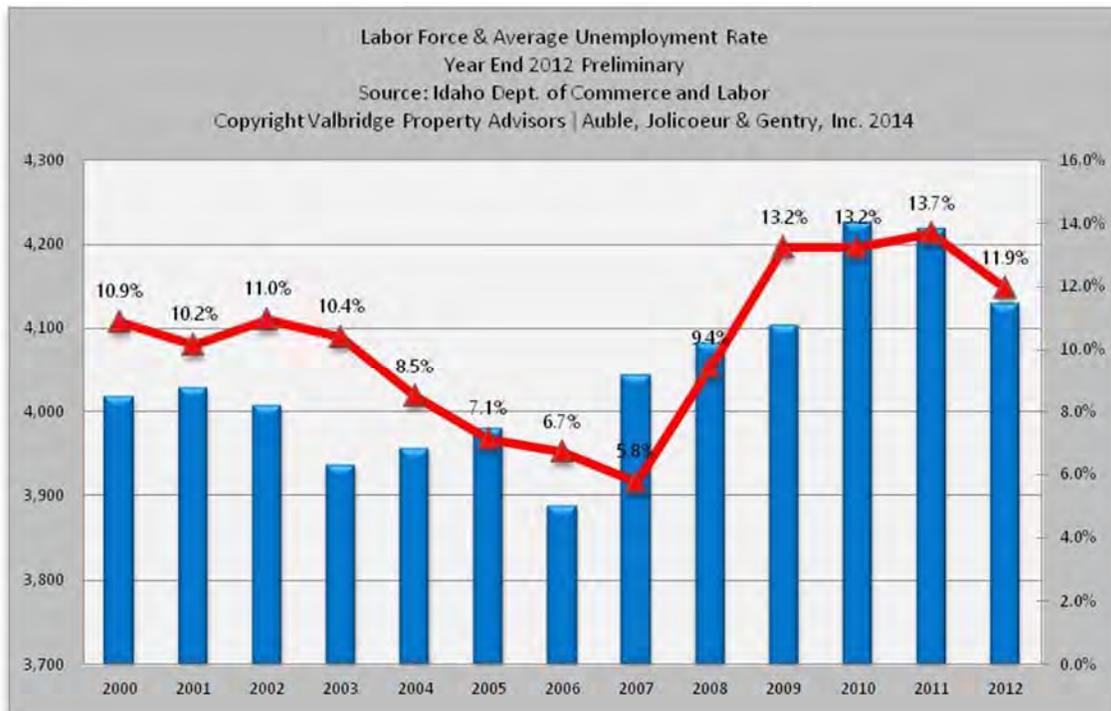
The Coeur d'Alene Tribe has been one of the area's largest employers over the past 10 years, employing people at their headquarters, retail stores, medical clinic, farms, school and the Berg plant. The Tribe also employs over 1,000 people at its expanded casino, hotel and golf course in Kootenai County.

The total non-farm employment, shown in the chart on the following page, was 3,289 in 2012, which is down slightly from 2011 numbers of 3,315. Benewah County non-farm employment is still down 7.2% from 2008. Other sectors which had major declines since 2008 were agriculture, mining, construction; manufacturing; and trade, utilities and transportation. Several sectors have increases since the 2008 peak which include information and finance, professional and business services and government jobs.

TOP EMPLOYERS BENEWAH COUNTY, ID
Benewah Community Hospital
Valley Vista Care (nursing home)
Coeur d'Alene Tribe
Jack A. Buell Trucking
Potlatch Corp.
Stimson Lumber (Plummer & St. Maries)
Archies IGA
<u>Benewah Medical & Wellness Center (CdA Tribe)</u>



The Government sector is the largest employer at 42% of Benewah County employment. The U.S. Forest Service is one of the largest governmental employers. Trade, Utilities and Transportation is the next largest sector (18%) followed by Manufacturing (15%). Timber and Wood products accounts for much of the Manufacturing sector. The Agricultural sector employs about 8% of the counties work force.



The chart on the previous page shows the unemployment trends of Benewah County since 2000. Unemployment during the summer months is lower than during the winter months with the highest rate of unemployment occurring between January and April. The data through year-end 2012 shows that out of a labor force of 4,130, only 3,637 were employed, for an unemployment rate of 11.9%. Through November 2013, the average unemployment rate is 10.5%. The annual unemployment pattern for this county is similar to many of the resource based counties in northern Idaho and eastern Washington where unemployment is highest through the winter months and lowest through the summer months. Unemployment in Benewah County is much higher than both the state and national averages. Idaho has consistently seen unemployment lower than the national average since 2002.

Recreation

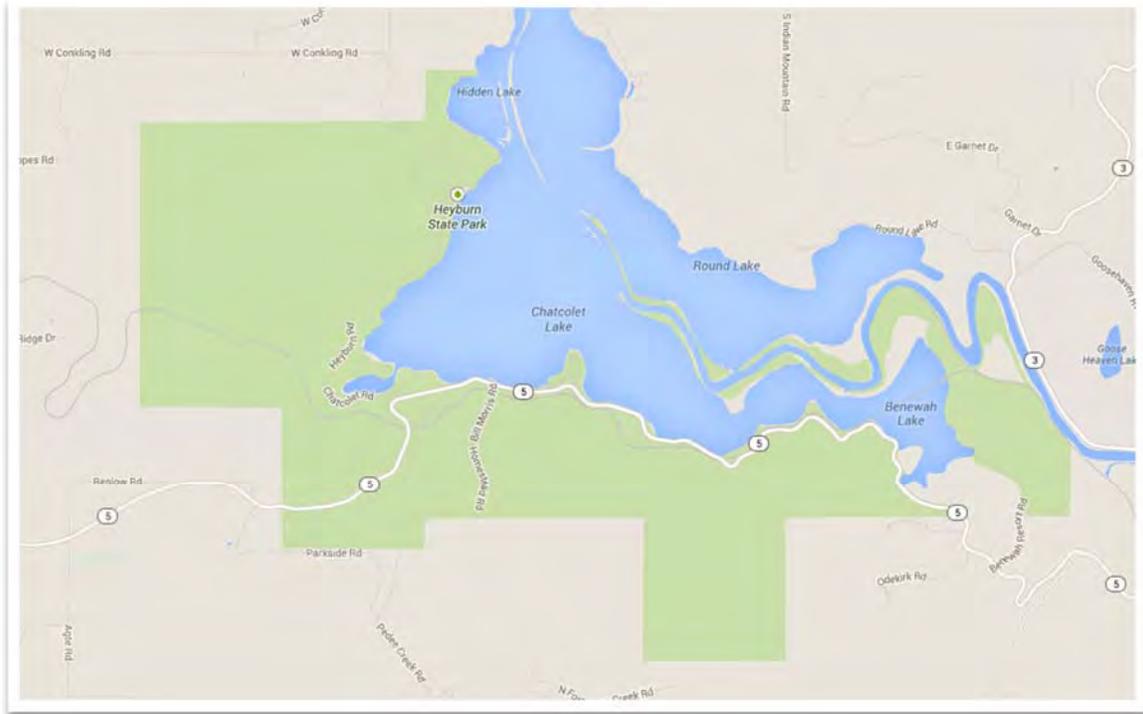
There are numerous lakes and rivers in the immediate area that provides a broad array of sporting and recreational activities such as boating, fishing, hunting and camping. The St. Joe and St. Maries Rivers are well regarded as fly fisheries. Heyburn State Park, located on the Coeur d'Alene Indian Reservation, is situated at the southern end of Lake Coeur d'Alene in Benewah County, just south of the Kootenai County and Benewah County line. The park benefits from close proximity to the population centers of Spokane and Pullman, Washington, and Coeur d'Alene, St. Maries, Moscow, and Lewiston, Idaho. The Trail of the Coeur d'Alene's is a 72+ mile long trail paved biking trail that connects Mullan and Plummer, Idaho and passes through the park. It was built on the former Union Pacific railway bed.

Summary & Conclusion

Benewah County is mostly rural, and the economy is primarily dependent on timber and forest products followed by agriculture. Recreation is also a good contributor to the economy; however, it is limited to the recreational months. The most recent national recession reduced the demand for new homes and the prices for logs and lumber. Since 2009 lumber prices have been slowly rising and continue to rise. Outdoor recreation will continue to provide some consistent income, but on a smaller scale. The overall economy is likely to remain sluggish until the national economy begins to recover with increasing demand for timber and timber products. The agricultural sector has remained strong over the past few years, but less than 1% of the County's area is farmed, so the agricultural contribution to the economy is minimal.

City & Neighborhood Analysis

NEIGHBORHOOD MAP



Overview

The subject is located in Heyburn State Park, in Benewah County, Idaho. Heyburn State Park is located primarily in Benewah County near the mouth of the St. Joe River where it enters a series of lakes at the south end of Lake Coeur d'Alene.

Neighborhood Location and Boundaries

Heyburn State Park contains just over 8,000 acres, over 2,000 acres of which are submerged under the area's lakes and wetland marshes. The northeasterly boundary of the park is formed by the bank and channel of the St. Joe River. Approximately 50 acres of upland timber land on the northwesterly side of the park is in Kootenai County.

Heyburn State Park, the oldest state park in Idaho, was created from the Coeur d'Alene Indian Reservation by an act of Congress on April 20, 1908. Purchase of the park was authorized by the Idaho State Legislature in March 1909. The park was named in honor of U.S. Senator W.B. Heyburn, who was instrumental in its acquisition.

The park has extensive water frontage on Chatcolet Lake, Hidden Lake and Benewah Lake. To the casual observer, these three lakes appear to be continuous extension of the larger Lake Coeur d'Alene, as they are connected by a continuous body of water; however, the water is shallow between the lake and access to Lake Coeur d'Alene and the St. Joe River is via deeper channels marked specifically for passage. This is a heavily timbered, very scenic area.

History

Over the years, Heyburn State Park has been developed for camping, swimming, and boating. Available are trails for hikers, horses, and mountain bikes, boat docks, beaches, and the Chatq'ele' Interpretive Center at Rocky Point. There are also leased building sites on which the lessees have built summer cabins or placed floating homes. Cottages have been built on both waterfront sites with docks, and secondary sites with common park waterfront access. Rental boat slip and boat houses are also available. Heyburn State Park is open to the public year-round. Some facilities are closed seasonally, but general operation is early spring to late fall for all facilities. The peak recreational season is essentially Memorial Day through Labor Day.

Lake Coeur d'Alene, along with the St. Joe River and those properties located within Heyburn State Park, have been owned, managed, and controlled by the State of Idaho for many years. This changed in late July 1998 when U.S. District Court Judge Edward Lodge ruled that the Coeur d'Alene Tribe owns the lower third of Lake Coeur d'Alene and the adjacent 10 miles of the St. Joe River. This ruling was appealed, but upheld, in June 2001 by the U.S. Supreme Court. It must be noted that the lakes within Heyburn State Park were not subject to this ruling, since they were previously adjudicated all the way to the U.S. Supreme Court and are now under the control and management for the State of Idaho Department of Parks and Recreation.

Access

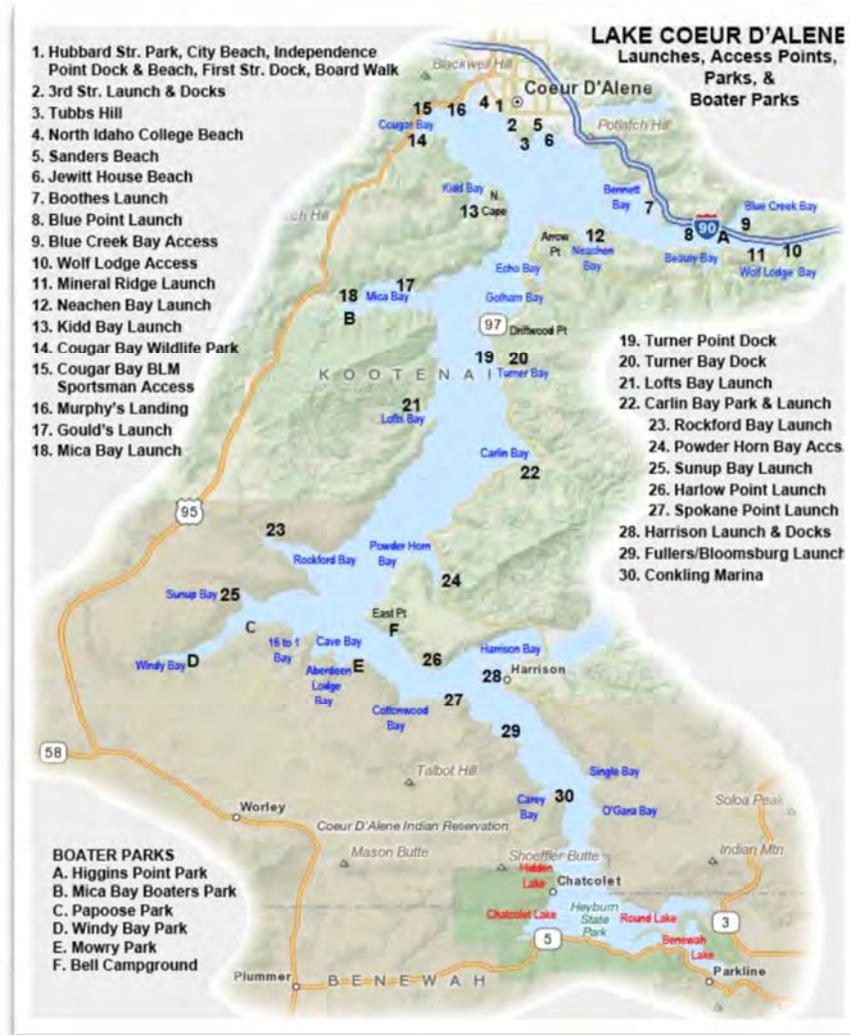
Highway access to Heyburn State Park is from State Highway 5, which runs between Plummer and St. Maries. Secondary, seasonal, access is provided by Conkling Park Road, which meets U.S. Highway 95 near Worley, Idaho.

Demographics

The primary market area serving Heyburn State Park is that between St. Maries, Idaho and Pullman, Washington. The secondary market area is the metropolitan area of Spokane, Washington and Coeur d'Alene, Idaho, at the north end of Lake Coeur d'Alene. Convenience shopping is available in Plummer and Worley, Idaho; major shopping and services are available in St. Maries, Coeur d'Alene, and Moscow in Idaho, and Spokane and Pullman in Washington.

Market Analysis

MARKET AREA MAP



Overview

The subject's market area primarily includes all bays on the west side of Lake Coeur d'Alene south of Windy Bay. The subject property is on the southwestern tip of Lake Coeur d'Alene.

Waterfront Lot Sales

A summary of waterfront land sales for Lake Coeur d'Alene from the Multiple Listing Service (MLS), followed by current listings, is shown on the following page and graphed in the chart below. Secondary lot sales are not shown due to the inconsistency of labeling within the MLS.

Lake Coeur d'Alene sales peaked in 2007 at \$4,106/ff. Recent years of 2012 and 2013 still reflect a decline in the market with average front foot sales of \$1,867 and \$1,473, respectively. Active listings remain priced higher at \$3,204/ff. It is important to note the increase in the number of transactions since 2009. Transaction counts are similar to the peak of the market in 2007 with 10 to 12 transactions in recent years. Average lot sale prices in 2009 and 2010 were based on two and three transactions and less reliable as a trend indicator.

WATERFRONT LOT SALES

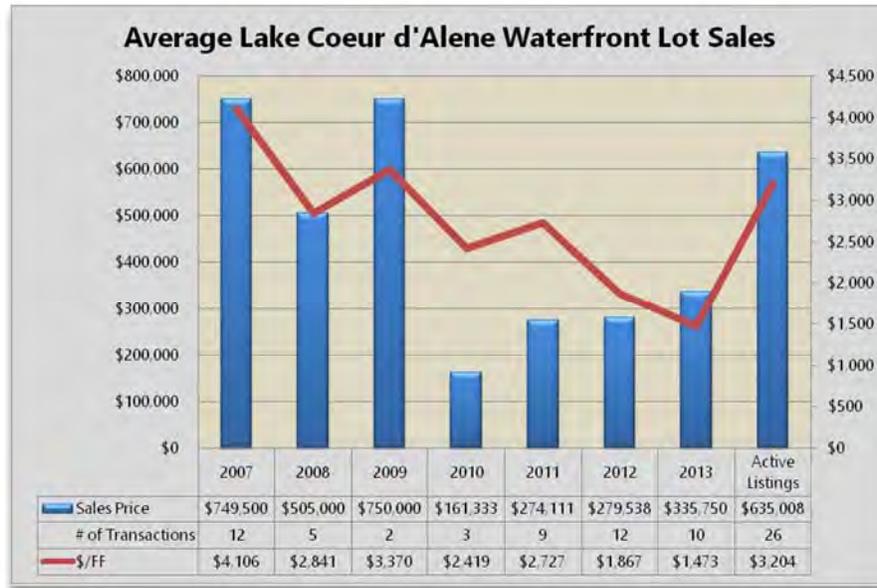
Status	Town	Acres	MOL	DOM	Price	Closed Date	FF	\$/FF
2007 Sales								
Newtons Way	Coeur d'Alene	0.71	245		\$1,220,000	12/19/2007	146	\$8,356
MOWRY	Worley	100	377		\$1,600,000	4/10/2007	205	\$7,805
COTTONWOOD	Worley	1.01	137		\$175,000	8/13/2007	150	\$1,167
EMERALD SHORES	Coeur d'Alene	0.53	49		\$150,000	5/29/2007	76	\$1,974
HWY 97, DRIFTWOOD POINT	Harrison	0.1	70		\$250,000	9/4/2007	100	\$2,500
East Point	Coeur d'Alene	0.24	50		\$300,000	9/14/2007	100	\$3,000
STARGAZER LN	Harrison	0.41	70		\$255,000	8/22/2007	100	\$2,550
Arrow Point-Catamaran	Harrison	0.26	61		\$424,000	10/24/2007	75	\$5,653
THE HEADLANDS	Harrison	2.6	61		\$800,000	1/25/2007	224	\$3,571
THE HEADLANDS	Harrison	2.27	170		\$725,000	8/3/2007	224	\$3,237
MOSCOW BAY	Coeur d'Alene	17.2	59		\$695,000	8/20/2007	300	\$2,317
HEDMARK LANDING	Worley	2.92	170		\$2,400,000	10/10/2007	336	\$7,143
Average					\$749,500			\$4,106
2008 Sales								
THE HEADLANDS	Harrison	2.69	385		\$800,000	3/3/2008	305	\$2,623
Panorama View Estates, LOT 27	Harrison	0.47	81		\$375,000	5/2/2008	72	\$5,208
Marion	Harrison	0.71	57		\$450,000	7/18/2008	252	\$1,786
Highway 97	Harrison	0.14	92		\$175,000	9/12/2008	126	\$1,389
The Headlands, Lot 6, Block 1	Harrison	1.91	35		\$725,000	6/6/2008	226.6	\$3,199
Average					\$505,000			\$2,841
2009 Sales								
PARADISE POINT	Harrison	0.19	32		\$300,000	4/23/2009	49.9	\$6,012
Overlook	Worley	68	0		\$1,200,000	10/30/2009	1650	\$727
Average					\$750,000			\$3,370
2010 Sales								
China Ct	Harrison	1	289		\$90,000	5/18/2010	100	\$900
KOTTKE	Harrison	0.53	182		\$275,000	12/15/2010	100	\$2,750
Rockford Bay Road	Coeur d'Alene	0.94	561		\$119,000	6/18/2010	33	\$3,606
Average					\$161,333			\$2,419
2011 Sales								
Catamaran	Harrison	0.37	478		\$125,000	3/2/2011	75	\$1,667
Hwy 97	Harrison	0.71	356		\$320,000	3/16/2011	122	\$2,623
QUAIL RUN	Worley	0.39	153		\$200,000	4/4/2011	75	\$2,667
Sunset Cove-Neechan Bay	Harrison	0.26	72		\$185,000	4/6/2011	66	\$2,803
NNA Hwy 97	Coeur d'Alene	0.28	220		\$122,500	4/8/2011	100	\$1,225
Lightning Tree	Coeur d'Alene	0.88	75		\$850,000	6/6/2011	100.2	\$8,483
Rockford Point-Chapman Road	Worley	0.62	183		\$350,000	9/30/2011	125	\$2,800
Webb's East Point	Harrison	0.24	115		\$184,500	10/21/2011	101	\$1,827
NNA Hwy 97	Coeur d'Alene	0.68	124		\$130,000	12/13/2011	292	\$445
Average					\$274,111			\$2,727

WATERFRONT LOT SALES

Status		Town	Acres	MOL	DOM	Price	Closed Date	FF	\$/FF
2012 Sales									
Sold	38767 S. Highway 97	Harrison	0.4	67		\$120,000	2/10/2012	146	\$822
Sold	Coeur d'Alene Lake	Coeur d'Alene	0.65	392		\$250,000	5/29/2012	159.5	\$1,567
Sold	NNA Highway 97	Harrison	6.81	108		\$400,000	6/7/2012	2000	\$200
Sold	18503 E Nathatch Lane	Harrison	0.14	118		\$85,500	6/14/2012	75	\$1,140
Sold	2611 W Cottonwood Road	Worley	0.64	154		\$93,000	6/28/2012	100	\$930
Sold	62654 S. Powderhorn Bay Road	Harrison	0.27	77		\$85,500	7/16/2012	75	\$1,140
Sold	20400 S Hedmark Landing Road	Worley	1	609		\$430,000	7/30/2012	100	\$4,300
Sold	Stevens Point	Coeur d'Alene	0.6	135		\$65,000	8/16/2012	150	\$433
Sold	3751 W. Tule	Coeur d'Alene	0.39	15		\$230,000	8/20/2012		
Sold	E Paradise Point Road	Harrison	0.44	158		\$285,000	8/24/2012	90	\$3,167
Sold	2000 W Albins Land	Coeur d'Alene	1.35	13		\$1,250,000	10/31/2012	300	\$4,167
Sold	s. Westway Drive	Coeur d'Alene	0.32	108		\$195,000	11/5/2012	75	\$2,600
Sold	0 shorecrest Road	Coeur d'Alene	0.2	301		\$145,000	11/9/2012	75	\$1,933
Average						\$279,538			\$1,867
2013 Sales									
Sold	Trct E Mica View	Coeur d'Alene	0.46	48		\$450,000	3/21/2013	337	\$1,335
Sold	Lt 7 & 6 Cottonwood Road	Coeur d'Alene	0.82	65		\$38,500	4/10/2013	132	\$292
Sold	Mockingbird Loop	Coeur d'Alene	0.35	78		\$75,000	7/9/2013	84	\$893
Sold	Happy Cove	Coeur d'Alene	2.5	95		\$200,000	8/2/2013	86	\$2,326
Sold	3411 E Chinook DR	Coeur d'Alene	1.04	71		\$120,000	8/23/2013	164	\$732
Sold	Mockingbird Loop	Coeur d'Alene	0.32	393		\$129,000	10/15/2013	90	\$1,433
Sold	20400 S Hedmark Landing Rd	Coeur d'Alene	2	237		\$850,000	10/15/2013	237	\$3,586
Sold	Hidden Lake Estates	Worley	59	84		\$175,000	10/25/2013	1200	\$146
Sold	*Red Hog Sot Ayr Dr (Waterfront component of larger sale)	Coeur d'Alene	5	43		\$1,200,000	7/17/2013	605	\$1,983
Sold	Kidd Island	Coeur d'Alene	0.18	384		\$120,000	9/26/2013	60	\$2,000
Average						\$335,750			\$1,473
*Represents only the waterfront allocation of 63.5 ac sale of \$1,591,200.									

WATERFRONT LOT LISTINGS

Status	Town	Acres	MOL	DOM	Price	Closed Date	FF	\$/FF
Active Listings								
Rocky Point	Coeur d'Alene	4.5	1434		\$1,295,000		685	\$1,891
Mockingbird	Harrison	0.35	722		\$75,000		84	\$893
Lands End Road	Coeur d'Alene	23	704		\$995,000		380	\$2,618
Highway 97	Harrison	3.75	512		\$429,000		630	\$681
CDA	Coeur d'Alene	0.65	504		\$349,900		428.3	\$817
ROCKSHORE	Coeur d'Alene	0.36	493		\$595,000		110	\$5,409
CATAMARAN	Harrison	0.35	449		\$199,900		80	\$2,499
Lake Shore Drive	Worley	0.16	357		\$175,000		70	\$2,500
Eddyville Rd	Coeur d'Alene	14.31	347		\$850,000		419.66	\$2,025
SWEDE BAY	Coeur d'Alene	13.18	338		\$3,500,000		170	\$20,588
Neechan Bay-Mockingbord Loop	Harrison	0.3	340		\$80,000		92	\$870
China Ct	Harrison	1	334		\$82,000		100	\$820
Headlands	Harrison	2.77	325		\$585,000		293	\$1,997
Stargazer	Harrison	1.04	323		\$399,000		200	\$1,995
Delcardo Bay	Coeur d'Alene	0.23	322		\$250,000		50	\$5,000
HARLOW POINT	Harrison	5.13	322		\$399,000		180	\$2,217
SHORECREST	Coeur d'Alene	0.3	302		\$299,900		87	\$3,447
Chinook	Harrison	1.5	283		\$489,500		422	\$1,160
HEDMARK LANDING	Worley	2	206		\$995,000		237	\$4,198
Mockingbird	Harrison	0.32	193		\$198,500		90	\$2,206
HARLOW POINT	Harrison	0.48	109		\$275,000		100	\$2,750
Eddyville	Harrison	0.86	108		\$250,000		170	\$1,471
HEADLANDS	Harrison	250	70		\$2,200,000		500	\$4,400
Threemile Point	Coeur d'Alene	0.65	38		\$699,000		121.21	\$5,767
Beachhouse	Harrison	0.48	25		\$395,500		90	\$4,394
Eddyville Rd	Harrison	4.78	8		\$449,000		650	\$691
Average					\$635,008			\$3,204



Market Participant Interview/Local Survey

Our interviews with active brokers in the market indicate a mix of opinions with most believing the market has declined between 30% and 50% since the peak in 2007. The increase in sales activity since 2010 makes us believe the rate of decline slowed in this time period. Reconciling the above, I have concluded an overall market decline of 40% since the peak of the market, averaging -10% per year in 2008, 2009, 2010, and 2011.

It is the general consensus among active waterfront brokers that the market appears to have bottomed out in 2011, but remained flat through 2012 and 2013. There is some expectation of rising prices in waterfront land values, with the potential for increased activity and ultimately values in the secondary waterfront land market as excess inventory is absorbed.

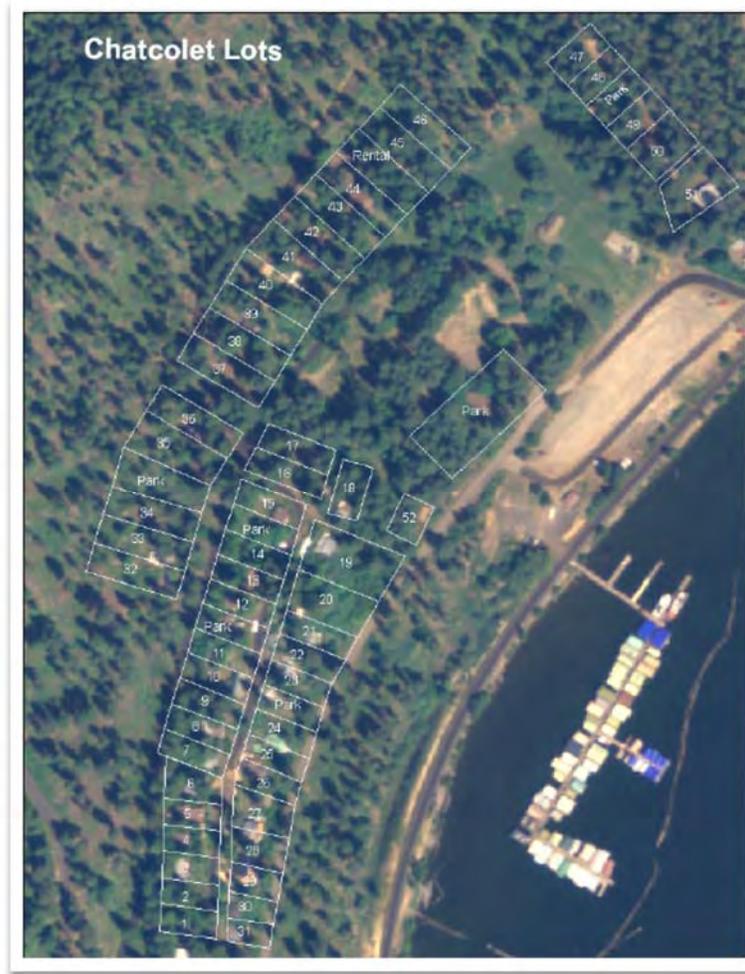
Site Description

The following description is based on my property inspection and information provided by the client. The subject recreational residence sites consist of three distinct property types in five separate areas.

Area 1: Chatcolet Lots

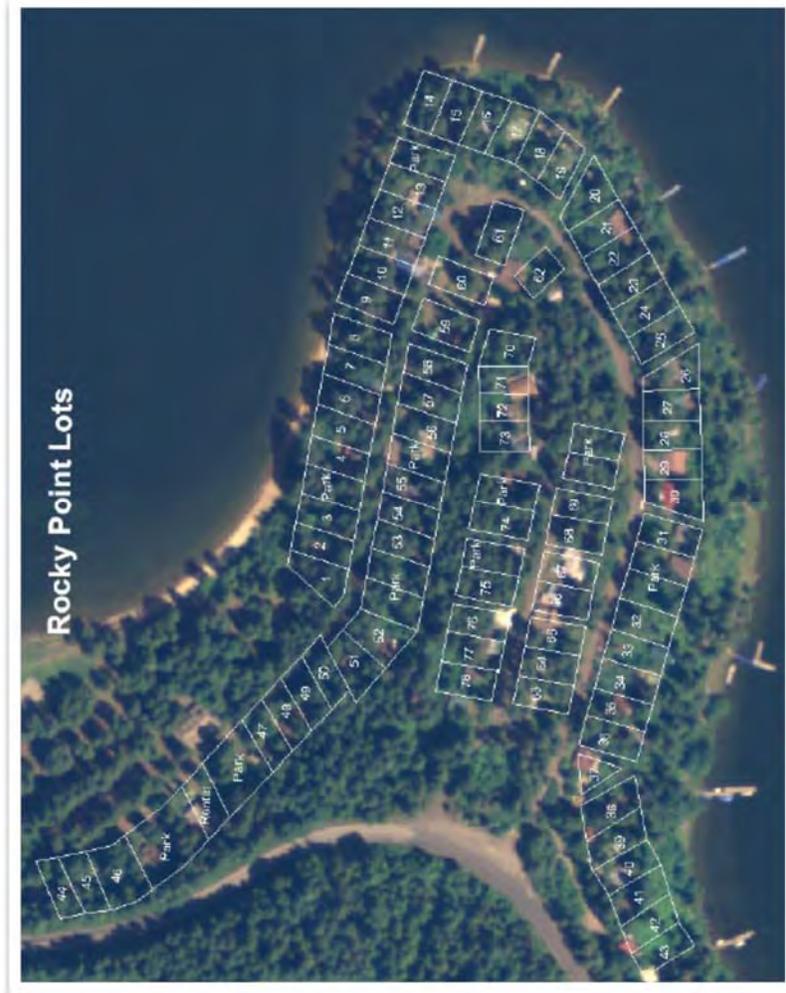
The sites are all first and second tier secondary sites with available boat slips, boat houses, a common park and waterfront. Chatcolet lots have a total of 53 leased lots, five park lots, and two rental cabins. As will be shown in the lot summary, there are 51 numbered lots that match corresponding lease numbers. One additional lot sets adjacent to Lot 51, adjacent to the trail and boat launch. It was purchased from the railroad, and is not numbered. It is called "the cabin lot" in the summary of lot leases. A marina and boat launch is also available within the Chatcolet area.

The typical lot within this area is moderately sloping with filtered lake views less than 50% open. All of these secondary lots are more distant from the water making the views more distant. The best views come from the elevated lots above Lower Chatcolet Drive which has heavier traffic leading to the marina, Chatcolet parking lot and boat launch. These lots are all accessed off of Center Chatcolet Drive. There are several uphill lots accessed off of Center Chatcolet Drive as well, although these lots have alternate access (very steep) off of Upper Chatcolet Drive. Upper Chatcolet Drive also extends to the Chatcolet Campground, which is enough removed from the leased lots as to not be a significant detriment. The cabin lot (adjacent to lot 51) and 52 set at opposite ends of the Chatcolet parking lot, feature desirable views, but offer less privacy as a result of their location.



Area 2: Rocky Point Lots

This area consists of both primary and first and second tier secondary sites with a lodge, common beach, and marina with rental slips and boat houses. The lodge is not leased. At Rocky Point there is a total of 78 lots. Forty-three lots are primary with two vacant park lots. There are 35 secondary lots along with six park lots, one rental cabin lot, and two fire lane lots. Rocky Point's primary lots vary in elevation near the water, but nearly all are steeply sloping down to the water, with many lessees having developed paths or walkways down the hillside to the water. Many of the lessees lease dock slips around the point, and/or boat houses in the Rocky Point Marina. These lots range in size from the typical sized leased lots from 5,000 sf to 6,000 sf with some larger. The primary lots are all downhill sloping lots with gentle to steep topography. The lots along the south side of the point are typically very steep, although the views remain desirable. The uphill lots near the entrance or Lots 44 to 46 back up to Highway 5 which generates substantial road noise. The same is true of Lots 35 to 43 near the exit of Rocky Point Loop Road. The views are generally filtered and less than 50% open on Upper Rocky Point Drive, with similar variance on the lower tier secondary lots on Rocky Point Loop Road. The lots near the entry and common areas may see greater activity from public use; however, this is not considered a detractor due to the distance and buffer from large amount of mature tree cover and natural landscaping.



Area 3: Hawley's Lots

The 11 lots within Hawley's Landing are all primary sites with a steep drop off down onto adjacent waterfront land within the park. Lots 1 to 6 have road access through Hawley's Landing Campground, with the access being between the water frontage and the lot itself. These lots are typically gentle to moderately sloping uphill lots from the point of access. Lots 5 to 11 are accessed via Hawley's Landing Road which has a "Y" that serves all of these lots which are generally gentle to moderately sloping down toward the lake. In reality, Lots 5 and 6 appear to have potential access from both the lower road through the campground and the upper road. All of these lots, with the exception of Lot 11, are 50' x 100' and considered typical of the leased lots within Heyburn State Park. These lots all have desirable views with the estimate of open water views being from 50% to 90%. Many of the lessees in this area rent slips from the IDPR. The waterfront within this area is shallower, and considered inferior in quality when compared to the water frontage in Rocky Point, or Chatcolet. There are two vacant park sites and one rental cabin. The adjacent campground is enough removed from the lots that it is not considered a significant detractor.



Area 4: Hanson's Haven

Hanson's Haven consists of one leased residential lot located directly off of State Highway 5. The site is surrounded by State Park land available for public use on both sides and is considered a primary waterfront lot. This lot sets adjacent to Hwy 5 which generates substantial road noise. Conversely, the gentle building site, water frontage and views are very desirable.

Area 5: Hidden Lake Float Homes

Along the bank of Hidden Lake are 23 float home sites. The homes sites share central parking available at the Chatcolet Lake parking area and there is trail and water access. There is no vehicular access to these sites. The float homes have access to on-site holding tanks for sewage (grey water), as all of the float home toilets have grinders. Float home users pay a water access fee to fill up potable water for drinking and cooking from the campground facilities. They can pull filtered water from the lake, with the use of a Department of Natural Resources permit, for bathing and cleaning. There are offsetting factors with regard to location in this cove with some having more privacy, or better open views. Some areas of the bay have deeper water which is generally more desirable and less damaging to float homes during the off season, when the water is lower. Conversely, the leases do not guarantee any location over another, and in reality, the IDPR is considering moving three of the float homes in the more desirable portion of the bay where there is more gentle sloping adjacent land for the development of public use areas. All of these float home sites are considered equal for this reason.



Site Analysis

In total, there are 142 residential land sites and 23 float home sites. Out of the 142 residential land sites, 54 are primary (waterfront) and 88 are secondary waterfront with or without a view of the water. There are 15 park lots and four lots with rental cabins. Primary lots face the water and are considered waterfront; however, the land between the site and the water is available for public access and provides unrestricted access to the water, making them less desirable than true water front parcels where the owner has full use of the water front.

Site Sizes

No surveys of the subject recreational residence sites are available. The sites are generally determined by historic location relative to the actual location of the improvements on the sites. These lease terms typically specify, or assume, a 50' x 100' site within which the building improvements are situated. Some sites are 50' x 150', primarily at Chatcolet, and others are irregularly shaped. Setbacks are generally considered to allow 10 feet between cabins, or five feet to each site boundary line from the building. The land is required to be left in its natural condition, except for fire control areas around the building and some maintained areas over drain fields. Some encroachments exist where buildings were built closer than 10 feet apart. Some other sites may have longer, more irregular shapes for site use purposes. Others have access, topography, or other condition that limit site development and use. Therefore, some sites differ from others, and the 50' x 100' or 50' x 150' size may be adjusted to some extent.

Site Leases

The recreational residence site leases are for a 10-year period, the most recent of which began January 1, 2010 and will end December 31, 2019. The recreation residence sites are to be reappraised at the middle of the 10-year lease term.

The leases are up for reappraisal effective January 1, 2015, and new rental rates for the leased sites are to be established and sustained at market value under the State of Idaho's mandate to derive a "reasonable income" from its lands. The lease rate is 3.75% of the fair market value estimate, and can be updated annually based on the Consumer Price Index, Urban, U.S. City Average, All items" as published by the United States Bureau of Labor Statistics, provided the base rate adjustment does not exceed 5% in any one year.

The leases restrict length of occupancy to six months but do not designate the actual time frame. Some cabin owners have established "grandfathered" rights for longer occupancy; however, these rights will cease in the case of a cabin's sale. The limitations imposed by the leases have not been considered in this appraisal per request from the client as they are considered inherent in the negotiate lease rate.

Heyburn State Park has several private docks for lease on East Rocky Point, and Hawley's Landing as well as 65 slips within the Chatcolet and Rocky Point Marinas. These docks have electricity; although electricity is not extended to each slip. There is a pump out station at the Chatcolet Marina. The rates below are those reported for 2013. The slip rents are adjusted annually based on the same CPI index used for the leased lots described above. According to park representatives, they have a waiting list for the slips.

2013 HEYBURN STATE PARK SLIP RENTAL RATES

	Number of Slips Available	Rate	
Private docks on East Rocky Point & Hawleys Landing (Depends upon age and condition of dock)		\$280/yr to	\$418/yr
Chatcolet	23	Covered	Uncovered
Rocky Point	42		
9' x 20'		\$766.00	\$627.00
10' x 24'		\$801.00	\$662.00
House Boats up to 40'			\$697.00
House Boats up to 60'			\$1,500.00
Boat Houses	12' to 26'	\$32.14/lf of dock space	
	65		

*100% Occupancy with waiting list

**Rates adjusted by CPI annually

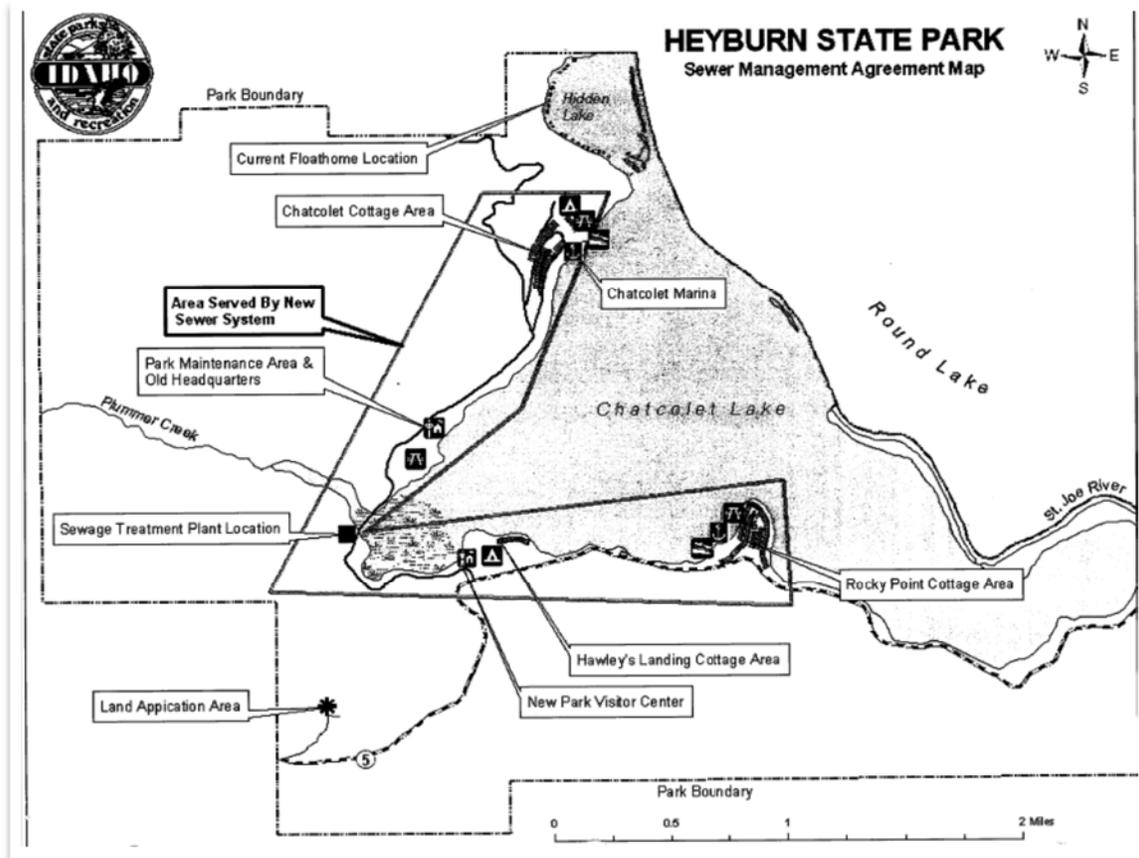
Access

The park is served year-round by paved and state maintained Highway 5, which provides direct access to Plummer and St. Maries. During the spring, summer and fall months access is available to the park via Conkling Park Road, off Highway 95 near Worley. The park's interior roads are graveled, single-lane roads maintained by the park staff. The quality of the roads varies throughout the park with some roads being better than others. According to park representatives, there are no immediate plans to pave any of the roads; however, they will continue to oil and gravel as practical for dust control. As a result many of the roads had the appearance of former pavement, but what is now compacted gravel versus dirt. The secondary park roads are maintained by the park on a year-round basis with the exception of no snowplowing for t Hawley's Landing with the exception of lots 9-11 that can park near the rental cabin on what would be lot 12, if leased. The same is true of lots 48 to 51 at Chatcolet. Park. "Utility fees" for float homes are currently \$73.50/year for trash disposal and street lighting while the residential sites pay \$114.35/year. Access to the float homes in Hidden Lake is via foot over the steep terrain or via boat.

Utilities

Electricity and telephone services are available to all subject recreational sites. Water systems serve portions of the park and all of the subject sites, excluding the floating home sites. Heyburn State Park has two approved community water systems that provide domestic water and minimum fire protection. The Heyburn Park at Benewah system is rated by the State Department of Environmental Quality at 24 connections serving a population of 150. The Heyburn Park at Chatcolet system is rated at 154 connections serving a population of 400. These systems serve the residence sites, camping areas, and administrative buildings. Many of the cottages do not have year-round water facilities and are winterized to prevent freezing. Float home leaseholders currently pay a "Water Access Fee" of \$59.56/year for domestic water and limited fire protection flows and residential site leaseholders pay \$119.11/year.

The Heyburn State Park Community Wastewater System was installed into the park in 2011. The collection and treatment facility is a Land Application Sewage Treatment System that is regulated by Idaho Department of Environment Quality (DEQ). The sewer system services properties from Chatcolet Cottage Area to Hawley's Landing and also includes properties at Rocky Point; a service map is shown below. The Float homes, located in Hidden Lake are under a Sewer Management Agreement (SMA) with Panhandle Health District 1 and Idaho Department of Parks and Recreation (IDPR) since March 3, 2009. Homeowners pay a fee of \$530/year for the Sewage Service Fee.



The SMA is an agreement meant to provide protection to the state waters included within the boundaries of Heyburn State Park. The SMA allows the float homes to continue using the substandard wastewater treatment and disposal methods until the agreement expires on January 1, 2015. The current sewer systems pump waste from the homes to an on-shore holding tank. The holding tanks are emptied by a barge, as the only access to the float homes is via foot or water. Float homes that are not hooked into a Centralized Sewage Collection and Treatment Facility by the expiration of the agreement, "IDPR agrees that the leases will be terminated and the float homes removed from Heyburn State Park;" according to the SMA.

The owners of the float homes are in the process of receiving a grant that will do a feasibility study on the plan to extend sewer from the current sewer lagoon to Hidden Lake. There have also been discussions of relocated the float homes to Chatcolet and create a marina; however, what the plan for the float homes is, is currently unknown.

Flood Zone Data

According to FIRM Panels #16009C0205D, 16009C0185D and 16009C0020D, dated September 25, 2009, the subject property lies mostly in Zone X (unshaded), an area of minimal flood hazard, usually depicted on FIRMs as above the 500-year flood level. The float homes within Hidden Lake are within Zone A, areas with a 1% annual chance of flooding and a 26% chance of flooding over the life of a 30-year mortgage.

Other Site Conditions

Soils:

An in-depth soil study is beyond the scope of this report; according to the USDA NRCS web soil survey, the predominant soils found on the property include Ardevoir-McCrosket association, very steep, McCrosket-Ardevoir association, steep; Blinn loam with 5% to 35% slopes, stony; Moctileme silt loam; and Lacy-Bobbitt complex with 5 % to 35% slopes, stony.

Environmental Issues:

An environmental site assessment has not been completed for the subject. I saw no suspicious materials that would suggest that environmental contamination is present; however, this does not preclude the possibility that contamination exists on the site, on nearby sites, or in the subject's construction materials. I am not an expert in this field and express no opinion about the possible absence or presence of contamination. The property is appraised under the assumption that no contamination exists.

Easements & Encroachments:

Neither survey markers, nor a title report for the subject property has not been provided. The following value estimate do not consider any easements or encroachments from existing access roads, adjacent improvements in the assumed lot layouts provided by IDPR.

Legal/Conforming Status

Legally Permitted Use:

Not Applicable

Highest & Best Use

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

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

Analysis of Highest & Best Use As If Vacant

The sites are defined by IDPR as approximately 50' x 100', or 50' x 150', although some are estimated as being smaller and larger. No zoning exists within the park, and they are assumed to be legally permissible. They are assumed to be vacant and unimproved with access to roads and utilities including electricity, water, and sewer as previously outlined, with the exception of the float home sites which do not have sewer and use potable water from within the park, and/or filtered lake water.

The sites are appraised as though available for fee simple ownership. They are small when compared to other recreational sites available on the lake. The primary sites are inferior to similar sized waterfront lot sales in that they do not have true waterfront ownership, but rather unrestricted access across the intervening park land which is also available for use by the public as part of the park system. The limitations on use imposed by the leases are not considered in this appraisal.

The highest and best use as vacant based on the hypothetical conditions outlined above is for continued use as recreational residence sites.

Most Probable Buyer/User

As of the date of value, the most probable buyer of the subject property is from nearby St. Maries, Moscow, Idaho and Pullman, Washington and to a lesser degree Coeur d'Alene, Idaho and Spokane, Washington. Approximately 10% to 20% of the lessees are from states other than Idaho or Washington.

Land Valuation

Methodology

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

Comparable Sales Data

We researched public records and other sources, and interviewed knowledgeable real estate professionals in the area to identify and verify sales and listings of properties that are comparable to the subject property. We analyzed the sales and listings and made adjustments for differences discernable in the local market. The comparable sales are adjusted to the subject: if the comparable sale was superior to the subject, a negative adjustment has been applied. A positive adjustment to the comparable property is applied if it was inferior to the subject. A summary of the adjustments follow.

Transaction Adjustments

Transaction adjustments include: 1) real property rights conveyed, 2) financing terms, 3) conditions of sale, and 4) expenditures made immediately after purchase. These items are applied prior to the application of property adjustments. For the analysis, several of the land sales were adjusted downward for the estimated value of the boat slip that was included in the sale. Others were adjusted upward for a pending LID that was known at the time of sale.

Market Conditions

Market conditions may change between the time of sale of a comparable property and the date of the appraisal of the subject property. Inflation, deflation, fluctuations in supply and demand, or other factors can cause changes in property pricing. Market conditions that change over time create the need for an adjustment. If market conditions have changed, an adjustment would be required for this element of comparison. The sales occurred over the past 3.5 years with most from 2012 and 2013. During this time period, there have been few sales/re-sales of the same property; however it is clear that declining market conditions occurred through at least 2011. We have applied a negative -10% adjustment to 2009, 2010 and 2011 transactions to reflect this decline.

Physical Characteristics

Physical adjustments are usually expressed qualitatively as percentages that reflect the increase or decrease in value attributable to the various characteristics of the property. If the physical characteristics of a comparable property and the subject property differ, each of the differences may require comparison and adjustment to the comparable. The most notable physical differences for comparable sales in this market include:

- **Location:** We have placed primary weight on sales from similar recreational waterfront neighborhoods with primary weight on sales south of Windy Bay in the subject's more rural waterfront neighborhood on Lake Coeur d'Alene.
- **Access:** All of the waterfront neighborhoods provide a mix of paved, graveled and dirt access roads. While a paved access road is clearly more desirable, it appears the stronger factor that drives secondary land values in a recreational neighborhood is views, location and proximity to the water.

- Parking/Terrain:** Most secondary waterfront lots have moderate to steeply sloping topography, with steep to very steep sites having limited parking as a direct result of the steep terrain. Many improved secondary sites have developed retaining walls to establish a parking area near the top or bottom of the lot, to provide for on-site parking on what are often narrow winding roads. As a result parking/terrain is considered as one adjustment with gentle topography being the most rare and valuable in this market.
- Size:** The majority of the subject lots are small with most from 5,000 sf to 6,000 sf, making them smaller than many of the comparables analyzed. Typically, the larger lots will sell for something more, although each additional unit of size does not carry the full value of the minimal site area necessary to support the home site. Size adjustments of 5% to 15% are made to reflect the differences in lot sizes.

View: Secondary waterfront lots have a wide range of views, and determining the quality of the view is quite subjective, and a matter of personal taste, although typically elevated territorial views generate higher values than the closed in views of level sites with heavy tree cover. Nearly all of the subject lots have at least filtered views. The subject lots and the comparables have all been judged objectively based on the percentage of open views toward the water. For example, a filtered view of the water that is 50% open to the water is quantified as a 50% view; whereas, when just slivers of the water can be seen through heavy tree cover in front of the lot on adjacent parcels, then it is considered a 10% view. The best views are wide open big lake views with 75% to 100% open view corridors of the lake available to the home site. The two comparisons below and on the following page are of sales within the same neighborhood and comparison of 0% view sites in heavily treed locations to more open views of 75% and 65%. The better view sites sold for 62% to 108% premiums over the non-view sites. In reality, the comparisons made in the following analysis will generally be from 10% to 50% views, versus large lake (90% to 100% views), and some of the above differences can be accounted for by slightly larger sizes of the better view sites. We have applied an overall range of view adjustments of 30% from the best view to no view sites recognizing other contributing factors in these two comparisons.

**VIEW ADJUSTMENT ANALYSIS
COMPARISON 1**

Sale ID	CPS 5	CPS 8
Address	Florida Circle- Conkling Park	Florida Circle- Conkling Park
View	0%	75%
Size	.21 acres	.33 acres
Sale Date	9/3/2013	8/24/2010
Price	\$30,000	\$62,500
Appreciation Adj	0%	0%
Mkt Cond Adj Price	\$30,000	\$62,500
Difference	-52.0%	108.33%

**VIEW ADJUSTMENT ANALYSIS
COMPARISON 2**

Sale ID	CPS 6	CPS 7
Address	Sargent Loop L1 B1	Sargent Loop L8 B1
View	0%	65%
Size	.58 acres	.49 acres
Sale Date	8/30/2013	8/3/2009
Price	\$47,500	\$77,000
Mkt Cond Adj Price	\$47,500	\$77,000
Difference	-38.3%	62.1%

Adjacent Use: The subject lots are small with most from 5,000 sf to 6,000 sf therefore the presence of vacant open park land, or even a smaller vacant park lot on the adjacent parcel is a desirable amenity. We have applied a subjective upward adjustment of 5% when the adjacent use is a vacant park lot, and +10% when the adjacent park area is much larger, providing additional privacy. Conversely, some of the adjacent park uses increase activity in front of the subject lot, such as the Chatcolet Parking lot, boat launch and marina. Some of the lots that back up to Highway 5 generated substantial road noise, making them less desirable for the quiet enjoyment associated with recreational lots. These negative influences resulted in a downward adjustment of -10%.

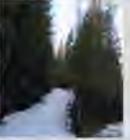
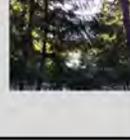
Rockford Bay Comparables

Nine comparable sales/listings are located within Rockford Bay. Rockford Bay is 11.5 miles northwest of the subject property, along Lake Coeur d'Alene, and 27 miles from downtown Coeur d'Alene. Located next to Black Rock Marina, Rockford Bay is in a more desirable area and lot prices reflect this. The comparable sales are shown in the chart on the following page as well as parcel maps depicting the sale locations.

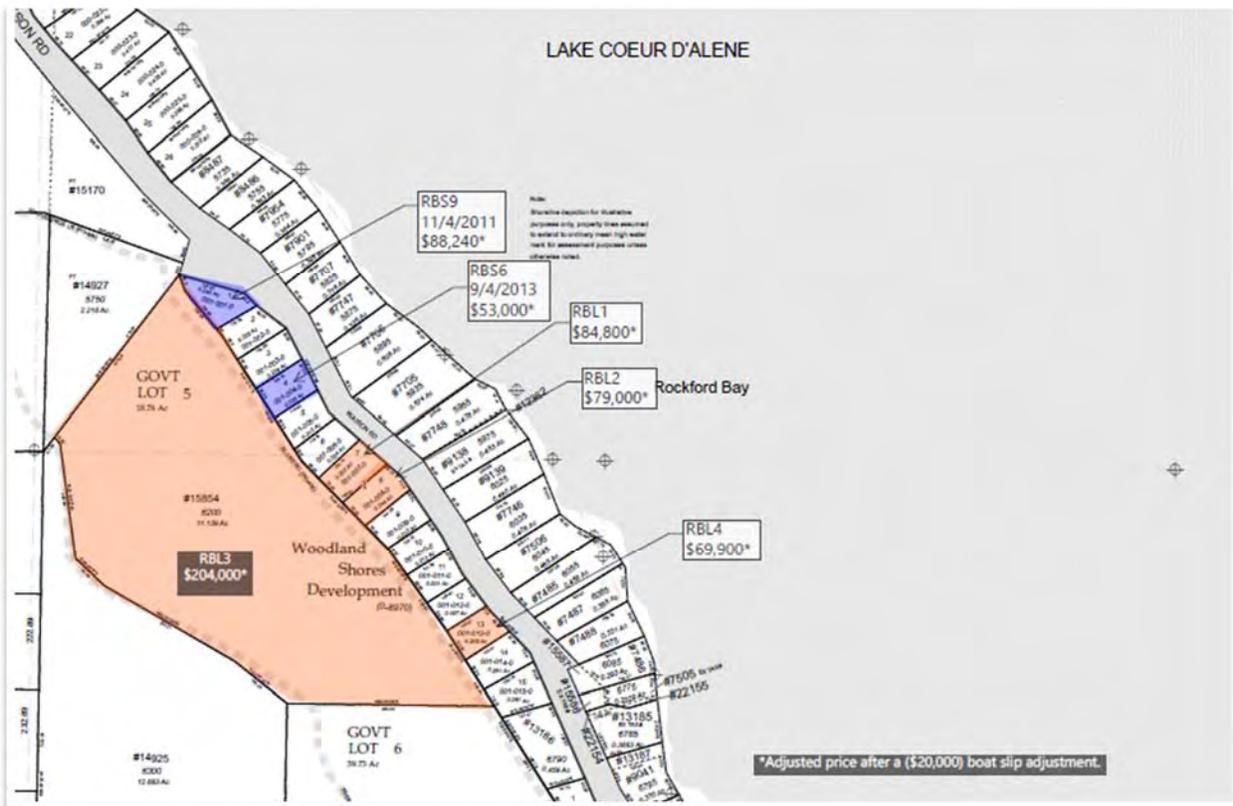
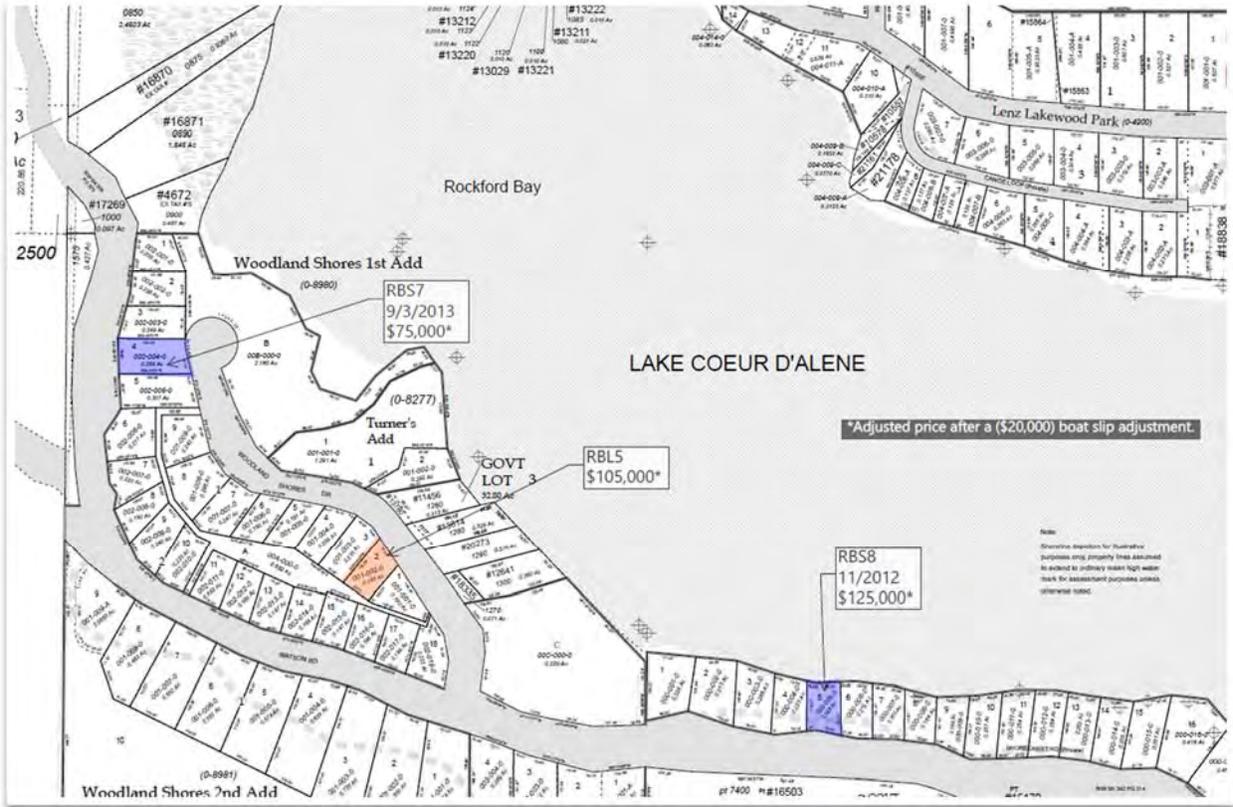
Five listings and four sales were used as comparables out of Rockford Bay. All comparables were adjusted downward of \$20,000 if a boat slip was included in the sale. Adjusted sale prices of the listings range from \$69,900 to \$105,000. There is a listing for \$204,000 for 11.38 acres behind several secondary home sites. The four other listings are all similar in size, ranging from 0.19 acres to 0.25 acres, have similar steep terrain and have similar limited views of Lake Coeur d'Alene from 25% to 50% views.

Lot sales within Rockford Bay range from \$53,000 to \$125,000. The only waterfront lot sale within Rockford Bay that was used is at the high side of \$125,000. Secondary lot sales range from \$53,000 for a steep lot with a 25% view to \$88,240 for a steep lot with a 50% view. These lots with their close in location set the high side of the range appropriate for both the waterfront and secondary lots.

ROCKFORD BAY COMPARABLE PROPERTIES

Comp ID	Sale Date	Price	Address	Type	Access	Terrain	Timber	Size	View	Photo
RBL1	Listing	\$ 104,800	Watson Road, Lot 7 Blk 1	Secondary Waterfront	Paved road, to gravel (good access)	Moderate to steep	Heavily treed	.25 acres	<25%	
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 84,800								
RBL2	Listing	\$ 99,000	Alcan Road, Lot 8 Blk 1	Secondary Waterfront	Paved road, to gravel (good access)	Steep	Heavily treed	.24 acres	<25%	
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 79,000								
RBL3	Listing	\$ 224,000	Alcan Road, Lot 8 Blk 1 and Tax #15854	Secondary Waterfront	Paved road, to gravel (good access)	Level, larger lot which includes a steep single- home-site	Heavily treed	11.38 acres	<25%	
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 204,000								
RBL4	Listing	\$ 89,900	Watson Road, Lot 13 Blk 1	Secondary Waterfront	Paved road, to gravel (good access)	Steep	Heavily treed	.21 acres	<25%	No Photo
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 69,900								
RBL5	Listing	\$ 125,000	18281 Woodland Shores Dr	Secondary Waterfront	Paved road, to gravel (good access)	Moderate to steep	Moderate	.19 acres	50%	No Photo
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 105,000								
RBS6	9/4/2013	\$ 73,000	Watson Road, Lot 4, Blk 1	Secondary Waterfront	Paved road, to gravel (good access)	Moderate to steep	Heavily treed	.23 acres	25%	
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 53,000								
RBS7	9/3/2013	\$ 95,000	NNA Woodland Shores Rd, Lot 4 Blk 2	Secondary Waterfront	Paved road	Gentle to moderate	Heavily Treed	.29 acres	No View	
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 75,000								
RBS8	11/9/2012	\$ 145,000	Shorecrest Road, Lot 5	Lakefront	Paved road	Very Steep; cliff to water	Moderate	.2 acres	100%	
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 125,000								
RBS9	11/4/2011	\$ 110,000	Watson Road, Lot 1 Blk 1	Secondary Waterfront	Paved road, to gravel (good access)	Moderate to steep	Moderate	.19 acres	50%	
Mkt Cond	-1.60%	\$ (1,760)								
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 88,240								

ROCKFORD BAY COMPARABLE SALES MAPS



Cave Bay Comparables

Cave Bay is located 29 miles south of downtown Coeur d'Alene and 8.8 miles northwest of the subject property. Comparable properties within Cave Bay most closely reflect that of the subject property. The size of the lots, as well as the terrain and community amenities, makes these comparables carry the most weight when valuing the subject. The comparable properties are shown in the chart and parcel maps on the following pages.

Five listings and six sales of secondary waterfront lots were used as comparables within Cave Bay. All of the sales have been adjusted for an LID that the Cave Bay Association has in place. The association is in the process of rebuilding and expanding their current sewer system. Each lot has an estimate of \$6,300 for the LID as well as \$1,000 for water and sewer hook-up fees for a total upward adjustment of \$7,300. The estimated value of a boat slip in the community marina is \$20,000. Lots which included slips in the purchase have also been adjusted down \$20,000.

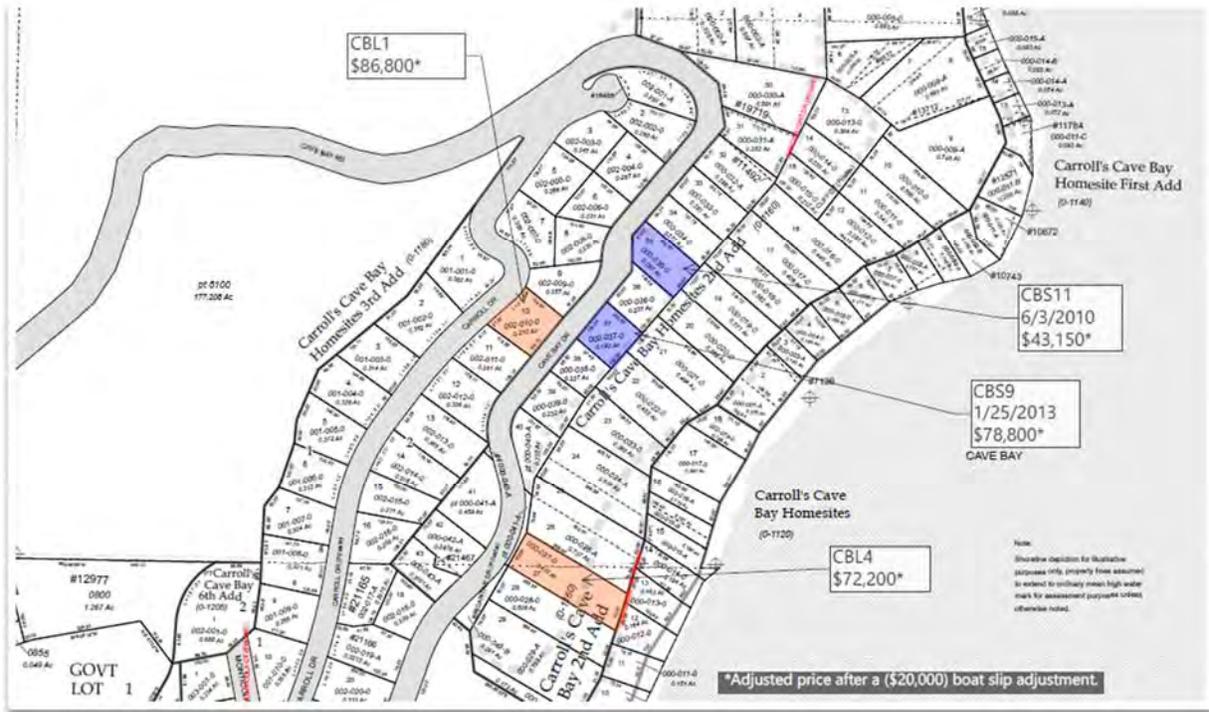
Listing prices range from \$72,200 for a non-view, gentle lot, up to \$187,000 for a very steep lot just across the road from Lake Coeur d'Alene and the Cave Bay Marina. Sale comparables range from \$25,300 for a steep uphill lot with views less than 50% to \$78,800 for a gentle to moderate terrain lot with 90% views of Lake Coeur d'Alene. It is our understanding that the low side of the range, or CBS6 was from an out of town seller that had never used the lot, and was fairly motivated, when they learned of the pending LID assessment. Eliminating this transaction, the range of secondary view lots is from \$37,300 (Sale CBS8) for a level to moderate terrain lots with 25% views up to \$78,800 for Sale CBS9 at \$78,800. This sale was closer in proximity to the water in Cave Bay with 90% views.

Mid-range of these two extremes is Sales CBS10 and CBS11 with desirable open views of 90% and 75% respectively. CBS10 at \$38,240 is a moderate to steep uphill lot that is less desirable than CBS11 at \$43,150 which provides a gentle downward slope suitable for a daylight basement site. These four secondary lot sales bracket an appropriate range for the more distant secondary lots in both Chatcolet and Rocky Point. These comparables suggest an appropriate range of values for lots less than 25% open as something less than \$40,000; while better views with moderate topography would be something less than \$70,000.

CAVE BAY COMPARABLE PROPERTIES

Comp ID	Sale Date	Price	Address	Type	Access	Terrain	Timber	Size	View	Photo
CBL1	Listing	\$ 99,500	Cave Bay Road, Lot	Secondary	Paved road	Steep, uphill	Minimal	.27 acres	90%	
	Boat Slip	\$ (20,000)	10 Blk 2	Waterfront		lot				
	LID &	\$ 7,300								
	Sewer/Water									
	Adjusted Sale Price	\$ 86,800								
CBL2	Listing	\$ 185,000	Lakeshore Drive, Lot	Secondary	Paved Road	Level site	Minimal	.56 acres	50%	
	Boat Slip	\$ (20,000)	2	Waterfront						
	LID &	\$ 7,300								
	Sewer/Water									
	Adjusted Sale Price	\$ 172,300								
CBL3	Listing	\$ 199,900	Lakeshore Drive, Lot	Secondary	Paved Road	Moderate to	Moderate	.51 acres	50%	
	Boat Slip	\$ (20,000)	9	Waterfront		steep with				
	LID &	\$ 7,300				unusable				
	Sewer/Water					hillside				
	Adjusted Sale Price	\$ 187,200								
CBL4	Listing	\$ 84,900	Cave Bay Road, Lot	Secondary	Paved Road	Gentle	Heavily	.47 acres	No View	
	Boat Slip	\$ (20,000)	27	Waterfront			Treed			
	LID &	\$ 7,300								
	Sewer/Water									
	Adjusted Sale Price	\$ 72,200								
CBL5	Listing	\$ 100,000	Cave Bay Road, Lot	Secondary	Paved Road	Gentle to	Heavily	.29 acres	No View	
	Boat Slip	\$ (20,000)	3	Waterfront		Moderate	Treed			
	LID &	\$ 7,300								
	Sewer/Water									
	Adjusted Sale Price	\$ 87,300								
CBS6	9/23/2013	\$ 38,000	21011 S. Cave Bay	Secondary	Paved Road	Moderate to	Moderate	.29 acres	<50%	
	Boat Slip	\$ (20,000)	Road	Waterfront		Steep, uphill				
	LID &	\$ 7,300				lot				
	Sewer/Water									
	Adjusted Sale Price	\$ 25,300								
CBS7	9/13/2013	\$ 84,000	NNA Modrona Lp	Secondary	Paved Road	Moderate to	Moderate	.33 acres	50%	
	Boat Slip	\$ (20,000)		Waterfront		steep with a				
	LID &	\$ 7,300				level				
	Sewer/Water					building site				
	Adjusted Sale Price	\$ 71,300								
CBS8	8/26/2013	\$ 50,000	Cave Bay Road, Lot	Secondary	Paved Road	Level to	Moderate	.39 acres	25%	
	Boat Slip	\$ (20,000)	22	Waterfront		moderate				
	LID &	\$ 7,300								
	Sewer/Water									
	Adjusted Sale Price	\$ 30,000								
CBS9	1/25/2013	\$ 91,500	NNA Candlelight	Secondary	Paved Road	Gentle to	Minimal	.19 acres	90%	
	Boat Slip	\$ (20,000)	Drive	Waterfront		moderate				
	LID &	\$ 7,300								
	Sewer/Water									
	Adjusted Sale Price	\$ 78,800								
CRS10	10/13/2010	\$ 35,000	Cave Bay Road, Lot	Secondary	Paved Road	Moderate to	Moderate	.2 acres	90%	
	Boat Slip	\$ (4,060)	43	Waterfront		Steep, uphill				
	Mkt Cond	-11.60%				lot				
	LID &	\$ 7,300								
	Adjusted Sale Price	\$ 38,240								
CBS11	6/3/2010	\$ 75,000	NNA S Cave Bay	Secondary	Paved Road	Gentle	Minimal	.26 acres	75%	
	Boat Slip	\$ (20,000)	Road, Lot 35	Waterfront						
	Mkt Cond	-15.80%								
	LID &	\$ (11,850)								
	Adjusted Sale Price	\$ 43,150								

CAVE BAY COMPARABLE SALES MAPS



Cottonwood Bay Comparables

Cottonwood Bay is 32 miles south of downtown Coeur d'Alene and 6.5 miles northwest of the subject property. There are three waterfront lots located on Cottonwood Bay. Two of the comparable properties, the listing and the 2013 sale, are located within slide areas; therefore, those two parcels are non-buildable. Lake views of the waterfront lots are all excellent with limited obstructions. Due to the location on the water, all three comparables are very steep. The one listing, for a non-buildable lot is \$49,000. The two sales used within Cottonwood Bay range from \$38,500 for a non-buildable lot to \$73,000 for a buildable lot with very steep terrain. This comparable at \$73,000 for a true waterfront lots sets the high side of the range appropriate for the very steep primary lots in Rocky Point. The \$38,500 non buildable lot has a level RV pad near the top of the lot, and the buyer will likely build a dock on the waterfront. This lot has superior characteristics to the amenities provided the float home sites, which do not have any vehicle access and do not allow any RV vehicles on site. Shown in the chart and maps below are the comparable properties in Cottonwood Bay.

COTTONWOOD BAY COMPARABLE PROPERTIES

Comp ID	Sale Date	Price	Address	Type	Access	Terrain	Timber	Size	View	Photo
CBL1	Listing	\$ 49,000	Cottonwood Road	Waterfront	Dirt Road, good access	Very Steep, non buildable due to slide area	Heavily Treed	.64 acres	90%	
	Boat Slip									
	Adjusted Sale Price	\$ 49,000								
CBS2	4/15/2013	\$ 38,500	Lt 6 Cottonwood Rd	Waterfront	Dirt Road, good access	Very Steep, non buildable due to slide area	Heavily Treed	.82 acres	90%	
	Boat Slip									
	Adjusted Sale Price	\$ 38,500								
CBS3	6/28/2012	\$ 93,000	2611 Cottonwood Rd	Waterfront	Dirt Road, Good Access	Very Steep	Heavily Treed	.64 acres	100%	
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 73,000								

COTTONWOOD BAY COMPARABLES MAP SALES



Conkling Park Comparables

Conkling Park is located 36.5 miles south of downtown Coeur d'Alene and two miles north of the subject property. Comparable properties within Conkling Park are slightly larger than the subject home sites; however, significant weight is placed on them due to proximity to subject as well as terrain and view similarities. All sales and listings were adjusted downward \$20,000 if a dock was included in the listing or purchase.

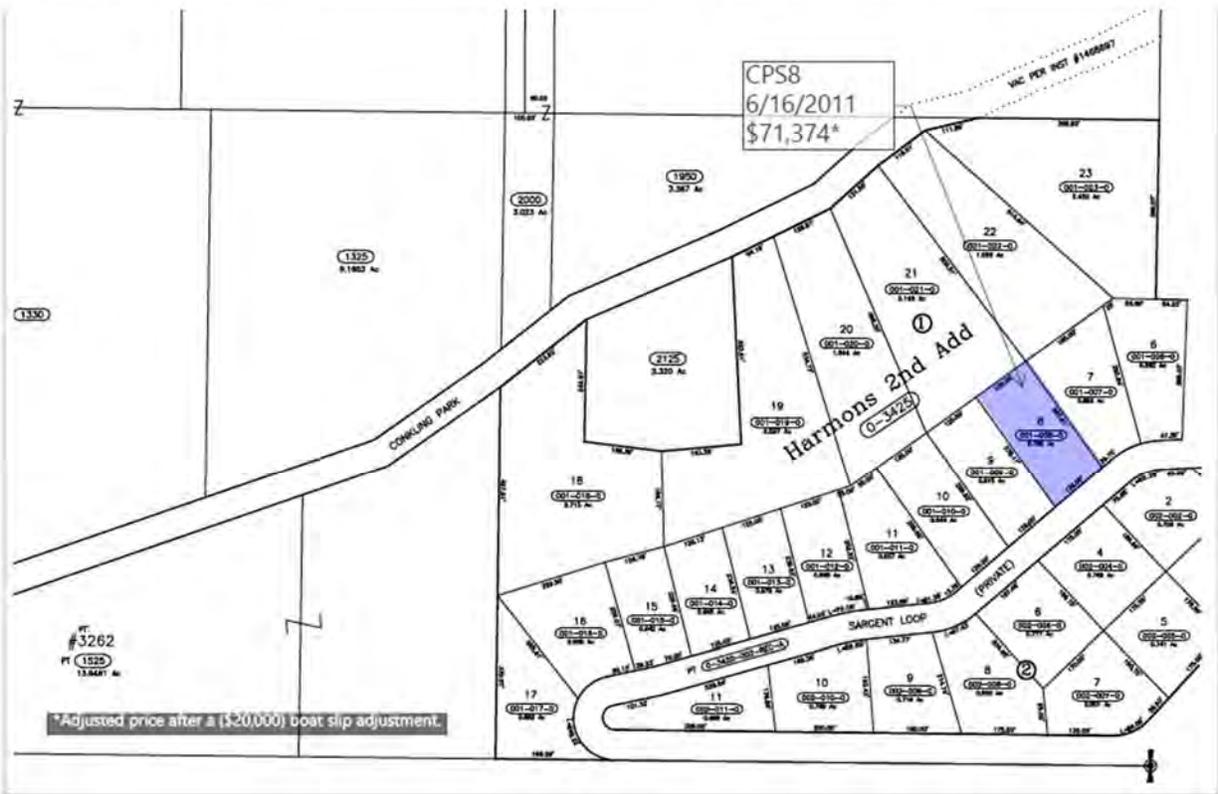
Three listings in Conkling Park were used as comparables for the subject property. The listings range from \$49,000 up to \$87,000. All listings are larger lots than that of the subject property. Two of the lots have no views while the one listing for \$78,900 has a distant view with 25% being unobstructed. As listings these comparables are given minimal weight.

Six Conkling Park lot sales were used as comparables. Adjusted sale prices range from a low of \$25,000 for non-view lots to a high of \$71,374 for a 65% view lot. These lots are more removed from the waterfront than the subject lots, and their proximity to the water somewhat offsets their larger lot sizes.

CONKLING PARK COMPARABLE PROPERTIES

Comp ID	Sale Date	Price	Address	Type	Access	Terrain	Timber	Size	View	Photo
CPL1	Listing	\$ 78,900	Sargent Loop, Lt 15, Blk 3	Secondary Waterfront	Paved	Level	Minimal	.83 acres	Distant, 25%	
	Boat Slip									
	Adjusted Sale Price	\$ 78,900								
CPL2	Listing	\$ 107,000	High Side Drive, Lot 8 Blk 3	Secondary Waterfront	Paved	Gentle to Steep	Moderate	.97 acres	No View	
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 87,000								
CPL3	Listing	\$ 69,000	High Side Drive, Lot 4 Blk 3	Secondary Waterfront	Paved	Moderate to Steep	Moderate	1.2 acres	No View	
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 49,000								
CPS4	9/13/2013	\$ 30,000	Florida Circle	Secondary Waterfront	Paved, to dirt access	Level	Moderate	.23 acres	No View	
	Boat Slip									
	Adjusted Sale Price	\$ 30,000								
CPS5	9/3/2013	\$ 30,000	Florida Circle, Lot 3 Blk 2	Secondary Waterfront	Paved	Gentle Lot	Moderate	.21 acres	No View	
	Boat Slip									
	Adjusted Sale Price	\$ 30,000								
CPS6	8/30/2013	\$ 67,500	Sargent Loop, Lot 1, Blk 1	Secondary Waterfront	Paved	Level	Moderate	.58 acres	No View	
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 47,500								
CPS7	6/28/2013	\$ 45,000	NNA High Side Dr, Lot 5 Blk 3	Secondary Waterfront	Paved	Moderate to Steep	Moderate	1.42 acres	25% Distant filtered view	No Photo
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 25,000								
CPS8	6/16/2011	\$ 97,000	1333 W Sargent Loop	Secondary Waterfront	Paved	Level Building Site	Moderate	.79 acres	65%	No Photo
Mkt Cond	-5.80%	\$ (5,626)								
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 71,374								
CPS9	8/24/2010	\$ 62,500	Florida Circle, Lot 8 Blk 1	Secondary Waterfront	Paved	Moderate to gentle	Minimal	.33 acres	75%, distant	
Mkt Cond	-13.30%	\$ (8,313)								
	Boat Slip									
	Adjusted Sale Price	\$ 54,188								
CPS10	9/25/2009	\$ 64,000	29554 High Side Drive	Secondary Waterfront	Paved	Moderate to steep	Heavily treed	.87 acres	25% Distant filtered view	
Mkt Cond	-20.80%	\$ (13,312)								
	Boat Slip	\$ (20,000)								
	Adjusted Sale Price	\$ 30,688								

CONKLING PARK COMPARABLE SALE MAPS



CONKLING PARK COMPARABLE SALES MAPS (CONT.)



Area 1: Chatcolet Lot Valuation

Placing primary weight on the secondary lot sales in Cave Bay and Conkling Park, we have estimated the value of a typical moderate slope lot with 50% open views at \$45,000. The remaining lots within this area are adjusted based on the inferiority, or superiority with regard to view, topography, size and adjacent land uses. There are no primary lots in the Chatcolet Area. The adjustment key by which all of the remaining lots will be adjusted is shown below, with the summary of Chatcolet lots, adjustments and estimated market values for each lot shown on the following pages.

ADJUSTMENTS KEY

	Typical Lot	Adjustment	
Primary	NA		
Secondary	\$45,000		
Access	Dirt	Dirt	0%
		Paved	0%
Parking / Terrain	Gentle / Moderate	Very Steep	-20%
		Steep	-10%
		Moderate / Steep	-5%
		Gentle/ Steep	-5%
		Gentle / Moderate	0%
Timber	Yes	Gentle	5%
		Yes	0%
Size	5,000 sf - 6,000 sf	No	0%
		<5000 sf	-10%
		5,000 - 6,000 sf	0%
		6001 sf -10,000 sf	5%
View	50%	>10,000 sf	15%
		<25%	-15%
		25%- 49%	-5%
		50%	0%
		51% - 75%	5%
Adjacent Use	Private Residence	>75%	15%
		Road Noise/Parking Lot/boat launch	-10%
		Private Residence/Rental Cabin	0%
		Vacant Park Lot	5%
		Park	10%

CHATCOLET LOTS (TABLE 1 OF 9)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
1 (602)	Secondary	Center Road	Limited/Steep	Yes	50x100	20%	State park land on one side, private residence on the other		
Adjustments	\$45,000	0%	10%	0%	0%	-15%	10%	-15%	\$38,250
2 (591)	Secondary	Center Road	Limited/Steep	Yes	50x100	50%	Private Residences on both sides		
Adjustments	\$45,000	0%	10%	0%	0%	0%	10%	0%	\$45,000
3 (518)	Secondary	Center Road	Limited/Steep	Yes	50x100	10%	Private Residences on both sides		
Adjustments	\$45,000	0%	10%	0%	0%	-15%	0%	-25%	\$33,750
4(650)	Secondary	Center Road	Limited/Steep	Yes	50x100	20%	Private Residences on both sides		
Adjustments	\$45,000	0%	10%	0%	0%	-15%	0%	-25%	\$33,750
5(648)	Secondary	Center Road	Limited/Steep	Yes	50x100	20%	Private Residences on both sides		
Adjustments	\$45,000	0%	10%	0%	0%	-15%	0%	-25%	\$33,750
6 (661)	Secondary	Center Road	Limited/Steep	Yes	50x100	20%	Private Residences on both sides		
Adjustments	\$45,000	0%	10%	0%	0%	-15%	0%	-25%	\$33,750

CHATCOLET LOTS (TABLE 2 OF 9)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
7(613)	Secondary	Center Road	Limited / Moderate-Steep (Upper Chatcolet Rd)	Yes	50x120	10%	Private Residences on both sides		
Adjustments	\$45,000	0%	-5%	0%	0%	-15%	0%	-20%	\$36,000
8(626)	Secondary	Center Road	Limited / Moderate-Steep (Upper Chatcolet Rd)	Yes	50x120	10%	Private Residences on both sides		
Adjustments	\$45,000	0%	-5%	0%	0%	-15%	0%	-20%	\$36,000
9(629)	Secondary	Center Road	Yes / Gentle to Moderate	Yes	50x120	10%	Private Residences on both sides		
Adjustments	\$45,000	0%	0%	0%	0%	-15%	0%	-15%	\$38,250
10(635)	Secondary	Center Road	Yes / Gentle to Moderate	Yes	50x120	10%	Private Residences on both sides		
Adjustments	\$45,000	0%	0%	0%	0%	-15%	0%	-15%	\$38,250
11(506)	Secondary	Center Road	Yes / Gentle to Moderate	Yes	50x120	10%	Private residences on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	0%	0%	0%	-15%	5%	-10%	\$40,500
12(541)	Secondary	Center Road	Yes / Gentle to Moderate	Yes	50x120	10%	Private residences on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	0%	0%	0%	-15%	5%	-10%	\$40,500

CHATCOLET LOTS (TABLE 3 OF 9)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
13(514)	Secondary	Center Road	Yes / Gentle	Yes	50x120	25%	Private Residences on both sides		
Adjustments	\$45,000	0%	5%	0%	0%	-5%	0%	0%	\$45,000
14(598)	Secondary	Center Road	Yes / Gentle	Yes	50x120 (Appears smaller with road encroachments)	10%	Private residences on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	5%	0%	0%	-15%	5%	-5%	\$42,750
15(596)	Secondary	Center Road	Yes / Gentle	Yes	50x120	10%	Private residences on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	5%	0%	0%	-15%	5%	-5%	\$42,750
16(523)	Secondary	Center Road	Yes / Gentle	Yes	approx 6,758	10%	Private Residences on both sides		
Adjustments	\$45,000	0%	5%	0%	5%	-15%	0%	-5%	\$42,750
17(836)	Secondary	Center Road	Yes / Gentle	Yes	Approx 50 x 125	10%	Private residence on one side, state park land on the other		
Adjustments	\$45,000	0%	5%	0%	0%	-15%	10%	0%	\$45,000
18(520)	Secondary	Center Road	Yes / Gentle	Yes	55 x 110	10%	Private residence on one side, state park land on the other		
Adjustments	\$45,000	0%	5%	0%	0%	-15%	10%	0%	\$45,000

CHATCOLET LOTS (TABLE 4 OF 9)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
19(537)	Secondary	Center Road	Yes / Gentle	Yes	Approx 15,150	10%	Private Residences on both sides		
Adjustments	\$45,000	0%	5%	0%	15%	-15%	0%	5%	\$47,250
20(583)	Secondary	Center Road	Yes / Gentle to Moderate (downward slope to Lower Chatcolet Rd)	Yes	Approx 11,120	25%	Private Residences on both sides		
Adjustments	\$45,000	0%	0%	0%	15%	-5%	0%	10%	\$49,500
21(615)	Secondary	Center Road	Yes / Gentle to Steep (downward slope to Lower Chatcolet Rd)	Yes	approx 6,250	25%	Private Residences on both sides		
Adjustments	\$45,000	0%	0%	0%	5%	-5%	0%	0%	\$45,000
22(597)	Secondary	Center Road	Limited / Steep downward slope toward Lower Chatcolet Road	Yes	Approx 50' x 116'	25%	Private Residences on both sides		
Adjustments	\$45,000	0%	-10%	0%	0%	-5%	0%	-15%	\$38,250
23(574)	Secondary	Center Road	Limited / Steep downward slope toward Lower Chatcolet Road	Yes	50x112	10%	Private residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	-10%	0%	0%	-15%	5%	-20%	\$36,000
24(548)	Secondary	Center Road	Limited / Steep downward slope toward Lower Chatcolet Road	Yes	50x112	25%	Private residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	-10%	0%	0%	-15%	5%	-20%	\$36,000

CHATCOLET LOTS (TABLE 5 OF 9)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
25(501)	Secondary	Center Road	Limited / Steep downward slope toward Lower Chatcolet Road	Yes	50x112	25%	Private Residences on both sides		
Adjustments	\$45,000	0%	-10%	0%	0%	-5%	0%	-15%	\$38,250
26(516)	Secondary	Center Road	Limited / Steep downward slope toward Lower Chatcolet Road	Yes	50x112	25%	Private Residences on both sides		
Adjustments	\$45,000	0%	-10%	0%	0%	-5%	0%	-15%	\$38,250
27(501)	Secondary	Center Road	Limited / Steep downward slope toward Lower Chatcolet Road	Yes	Approx 7738	25%	Private Residences on both sides		
Adjustments	\$45,000	0%	-10%	0%	5%	-5%	0%	-10%	\$40,500
28(552)	Secondary	Center Road	Limited / Moderate downward slope toward Lower Chatcolet Road	Yes	Approx 6,175	25%	Private Residences on both sides		
Adjustments	\$45,000	0%	0%	0%	5%	-5%	0%	0%	\$45,000
29(525)	Secondary	Center Road	Limited / Moderate downward slope toward Lower Chatcolet Road	Yes	Approx 4840	50%	Private Residences on both sides		
Adjustments	\$45,000	0%	0%	0%	-10%	0%	0%	-10%	\$40,500
30(556)	Secondary	Center Road	Limited / Moderate downward slope toward Lower Chatcolet Road	Yes	Approx 3,772	50%	Private Residences on both sides		
Adjustments	\$45,000	0%	0%	0%	-10%	0%	0%	-10%	\$40,500

CHATCOLET LOTS (TABLE 6 OF 9)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
31(612)	Secondary	Center Road	Limited / Moderate downward slope toward Lower Chatcolet Road	Yes	Approx 3,465	50%	Private residence on one side, state park land on the other		
Adjustments	\$45,000	0%	0%	0%	-10%	0%	10%	0%	\$45,000
32(664)	Secondary	Upper Chatcolet Road	Yes / Gentle to steep at back of uphill lot	Yes	50x150	10%	Private residence on one side, state park land on the other		
Adjustments	\$45,000	0%	-5%	0%	5%	-15%	10%	-5%	\$42,750
33(655)	Secondary	Upper Chatcolet Road	Yes / Gentle to steep at back of uphill lot	Yes	50x150	25%	Private residence on both sides		
Adjustments	\$45,000	0%	-5%	0%	5%	-5%	0%	-5%	\$42,750
34(630)	Secondary	Upper Chatcolet Road	Yes / Gentle to steep at back of uphill lot	Yes	50x150	0%	Private residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	-5%	0%	5%	-15%	5%	-10%	\$40,500
35(594)	Secondary	Upper Chatcolet Road	Yes / Gentle	Yes	Approx 8,968	0%	Private residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	5%	0%	5%	-15%	5%	0%	\$45,000
36(505)	Secondary	Upper Chatcolet Road	Yes / Gentle	Yes	50x150	0%	Private residence on both sides		
Adjustments	\$45,000	0%	5%	0%	5%	-15%	0%	-5%	\$42,750

CHATCOLET LOTS (TABLE 7 OF 9)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
37(531)	Secondary	Upper Chatcolet Road	Yes / Gentle	Yes	50x150	10%	Private residence on both sides		
Adjustments	\$45,000	0%	5%	0%	5%	-15%	0%	-5%	\$42,750
38(549)	Secondary	Upper Chatcolet Road	Yes / Gentle	Yes	50x150	10%	Private residence on both sides		
Adjustments	\$45,000	0%	5%	0%	5%	-15%	0%	-5%	\$42,750
39(562)	Secondary	Upper Chatcolet Road	Yes / Gentle	Yes	50x150	10%	Private residence on both sides		
Adjustments	\$45,000	0%	5%	0%	5%	-15%	0%	-5%	\$42,750
40(575)	Secondary	Upper Chatcolet Road	Yes / Gentle	Yes	50x150	10%	Private residence on both sides		
Adjustments	\$45,000	0%	5%	0%	5%	-15%	0%	-5%	\$42,750
41(504)	Secondary	Upper Chatcolet Road	Yes / Gentle	Yes	50x150	10%	Private residence on both sides		
Adjustments	\$45,000	0%	5%	0%	5%	-15%	0%	-5%	\$42,750
42(517)	Secondary	Upper Chatcolet Road	Yes / Gentle	Yes	50x150	10%	Private residence on both sides		
Adjustments	\$45,000	0%	5%	0%	5%	-15%	0%	-5%	\$42,750

CHATCOLET LOTS (TABLE 8 OF 9)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
43(586)	Secondary	Upper Chatcolet Road	Yes / Gentle	Yes	50x150	10%	Private residence on both sides		
Adjustments	\$45,000	0%	5%	0%	5%	-15%	0%	-5%	\$42,750
44(529)	Secondary	Upper Chatcolet Road	Yes / Moderate	Yes	50x150	10%	Private residence on one side, park rental cabin on the other		
Adjustments	\$45,000	0%	0%	0%	5%	-15%	0%	-10%	\$40,500
45(634)	Secondary	Upper Chatcolet Road	Yes / Moderate	Yes	50x150	10%	Private residence on one side, park rental cabin on the other		
Adjustments	\$45,000	0%	0%	0%	5%	-15%	0%	-10%	\$40,500
46(570)	Secondary	Upper Chatcolet Road	Yes / Moderate	Yes	50x150	10%	Private residence on one side, state park land on the other		
Adjustments	\$45,000	0%	0%	0%	5%	-15%	10%	0%	\$45,000
47(564)	Secondary	Upper Chatcolet Road	Yes / Moderate	Yes	50x100	10%	Private residence on one side, state park land on the other		
Adjustments	\$45,000	0%	0%	0%	0%	-15%	10%	-5%	\$42,750
48(561)	Secondary	Upper Chatcolet Road	Yes / Moderate	Yes	50x100	25%	Private residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	0%	0%	0%	-5%	5%	0%	\$45,000

CHATCOLET LOTS (TABLE 9 OF 9)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
49(589)	Secondary	Upper Chatcolet Road	Yes / Moderate	Yes	50x100	25%	Private residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	0%	0%	0%	-5%	5%	0%	\$45,000
50(539)	Secondary	Upper Chatcolet Road	Yes / Moderate	Yes	50x100	50%	Private residence on both sides		
Adjustments	\$45,000	0%	0%	0%	0%	0%	0%	0%	\$45,000
51(521)	Secondary	Upper Chatcolet Road	Yes / Moderate	Yes	Approx 10,148	50%	Private residence on both sides		
Adjustments	\$45,000	0%	0%	0%	15%	0%	5%	15%	\$51,750
Cabin Lot adjacent to Lot 51	Secondary	Lower Chatcolet Parking Lot near Marina & boat launch	Limited/Moderate	Yes	50x100	100%	RES/Parking lot, boat launch & trail (reduced privacy)		
Adjustments	\$45,000	0%	0%	0%	0%	15%	-10%	5%	\$47,250
52(637)	Secondary	Easement across adjacent parking lot from Chatcolet Road loop near Lot 17	Yes / moderate building site with steep slope down to lower Chatcolet Road which does not provide access to this lot	Yes	55x110	50%	RES/above Lower Chatcolet Road parking lot for marina		
Adjustments	\$45,000	0%	5%	0%	0%	0%	-10%	-15%	\$38,250

Area 2: Rocky Point Lot Valuation

Rocky Point has a mix of both primary and secondary lots. A similar value of \$45,000 is allocated to the typical secondary lot with 50% views, and moderate slopes with a typical lot size of 5,000 to 6,000 sf. In reality, most of the second tier lots in Rocky Point have views less than 50% open, resulting in many lots having downward adjustments for view.

The primary lots with similar sizes, 50% views, and moderate slopes are allocated a higher value of \$80,000. This is higher than the waterfront land sale in Cottonwood Bay \$73,000 which was very steep, but less than the \$125,000 waterfront lot in Rockford Bay which was also very steep, but much closer in to the City of Coeur d'Alene. At \$80,000, the primary lots in Rocky Point is to the high side of the range of the Cave Bay, or Conkling Park.

The Rocky Point lots are adjusted based on the following adjustment key. With the lot summary sheets shown on the following pages.

ADJUSTMENTS KEY

Typical Lot		Adjustment	
Primary	\$80,000		
Secondary	\$45,000		
Access	Dirt	Dirt	0%
		Paved	0%
Parking / Terrain	Gentle / Moderate	Very Steep	-20%
		Steep	-10%
		Moderate / Steep	-5%
		Gentle / Steep	-5%
		Gentle / Moderate	0%
		Gentle	5%
Timber	Yes	Yes	0%
		No	0%
Size	5,000 sf - 6,000 sf	<5000 sf	-10%
		5,000 - 6,000 sf	0%
		6001 sf - 10,000 sf	5%
		>10,000 sf	15%
View	50%	<25%	-15%
		25%- 49%	-5%
		50%	0%
		51% - 75%	5%
		>75%	15%
Adjacent Use	Private Residence	Road Noise/Parking Lot/boat launch	-10%
		Private Residence/Rental Cabin	0%
		Vacant Park Lot	5%
		Park	10%

ROCKY POINT LOTS (TABLE 1 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
1(566)	Primary	Rocky Point Loop Road	Yes/Gentle	Yes	Irreg (38 x 100)	50%	State Park land on one side, private residence on the other		
Adjustments	\$80,000	0%	5%	0%	-10%	0%	10%	5%	\$84,000
2(543)	Primary	Rocky Point Loop Road	Yes/Gentle	Yes	50x100	75%	Private Residence on both sides		
Adjustments	\$80,000	0%	5%	0%	0%	5%	0%	10%	\$88,000
3(555)	Primary	Rocky Point Loop Road	Yes/ Moderate to gentle	Yes	50x100	75%	Private Residence on one side, vacant park lot on the other		
Adjustments	\$80,000	0%	0%	0%	0%	5%	5%	10%	\$88,000
4(565)	Primary	Rocky Point Loop Road	Limited/ Steep to moderate	Yes	50x100	50%	Private Residence on one side, vacant park lot on the other		
Adjustments	\$80,000	0%	10%	0%	0%	0%	5%	-5%	\$76,000
5(571)	Primary	Rocky Point Loop Road	Limited / Steep	Yes	50x100	50%	Private Residence on both sides		
Adjustments	\$80,000	0%	-10%	0%	0%	0%	0%	-10%	\$72,000
6(522)	Primary	Rocky Point Loop Road	Limited / Steep	Yes	50x100	75%	Private Residence on both sides		
Adjustments	\$80,000	0%	-10%	0%	0%	5%	0%	-5%	\$76,000

ROCKY POINT LOTS (TABLE 2 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
7(512)	Primary	Rocky Point Loop Road	Limited / Steep	Yes	50x100	100% Open	Private Residence on both sides		
Adjustments	\$20,000	0%	-10%	0%	0%	15%	0%	5%	\$84,000
8(534)	Primary	Rocky Point Loop Road	Limited / Steep	Yes	50x100	50%	Private Residence on both sides		
Adjustments	\$80,000	0%	-10%	0%	0%	0%	0%	10%	\$72,000
9(595)	Primary	Rocky Point Loop Road	Limited / Steep	Yes	50x100	50%	Private Residence on both sides		
Adjustments	\$80,000	0%	-10%	0%	0%	0%	0%	10%	\$72,000
10(581)	Primary	Rocky Point Loop Road	Yes / Moderate to Steep	Yes	50x100	50%	Private Residence on both sides		
Adjustments	\$80,000	0%	-5%	0%	0%	0%	0%	-5%	\$76,000
11(607)	Primary	Rocky Point Loop Road	Yes / Gentle to Steep	Yes	50x100	75%	Private Residence on both sides		
Adjustments	\$80,000	0%	-5%	0%	0%	5%	0%	0%	\$80,000
12(516)	Primary	Rocky Point Loop Road	Yes / Gentle to Steep	Yes	50x100	90%	Private Residence on both sides		
Adjustments	\$80,000	0%	-5%	0%	0%	15%	0%	10%	\$88,000

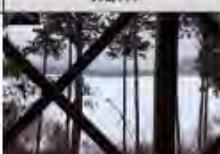
ROCKY POINT LOTS (TABLE 3 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	V/view (% open)	Adjacent Land	Total Adjustments	Adjusted Value
13(532)	Primary	Rocky Point Loop Road	Yes / Gentle to Steep	Yes	50x100	75%	Private Residence on one side, vacant park lot on the other		
Adjustments:	\$20,000	0%	-5%	0%	0%	5%	-5%	5%	\$84,000
14(606)	Primary	Rocky Point Loop Rd (long drive that encroaches on state park land)	Limited / Steep to moderate	Yes / Minimal	approx 53 x 100	Has 180 Degree, 90% - 100% view	State Park land on one side, private residence on the other		
Adjustments:	\$80,000	0%	-5%	0%	0%	15%	10%	20%	\$96,000
15(603)	Primary	Rocky Point Loop Road	Limited / Steep from the road with a moderate building site	Yes	50x100	100% 180 degree view	Private residence on both sides		
Adjustments:	\$20,000	0%	-5%	0%	0%	15%	0%	10%	\$88,000
16(579)	Primary	Rocky Point Loop Road	Limited / Steep from the road with a moderate building site	Yes	50x100	100% unobstructed view	Private residence on both sides		
Adjustments:	\$80,000	0%	-5%	0%	0%	15%	0%	10%	\$88,000
17(567)	Primary	Rocky Point Loop Road	Limited / Steep from the road with a moderate building site	Yes	50x100	90%	Private residence on both sides		
Adjustments:	\$80,000	0%	-5%	0%	0%	15%	0%	10%	\$88,000
18(588)	Primary	Rocky Point Loop Road	Limited / Steep from the road with a moderate building site	Yes	Approx 52.5 x 100	90%	Private residence on both sides		
Adjustments:	\$80,000	0%	-5%	0%	0%	15%	0%	10%	\$88,000

ROCKY POINT LOTS (TABLE 4 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
19(515)	Primary	Rocky Point Loop Road	Limited / Steep to moderate from the road and steep to the water	Yes	Approx 50' x 99' (Typical)	100% 180 degree view	Private residence on both sides		
Adjustments:	\$80,000	0%	-5%	0%	0%	15%	0%	10%	\$88,000
20(609)	Primary	Rocky Point Loop Road	Yes / Moderate to steep	Yes	Irregular Approx 55' x 109'	100%	Private residence on both sides		
Adjustments:	\$80,000	0%	-5%	0%	0%	15%	0%	10%	\$88,000
21(513)	Primary	Rocky Point Loop Road (shared driveway with adj lot)	Limited / Very Steep	Yes	50x100	100%	Private residence on both sides		
Adjustments:	\$80,000	0%	-20%	0%	0%	15%	0%	-5%	\$76,000
22(542)	Primary	Rocky Point Loop Road (shared driveway with adj lot)	Limited / Very Steep	Yes	50x100	100%	Private residence on both sides		
Adjustments:	\$80,000	0%	-20%	0%	0%	15%	0%	-5%	\$76,000
23(584)	Primary	Rocky Point Loop Road (shared driveway with adj lot)	Limited / Very Steep	Yes	50 x 100	100%	Private residence on both sides		
Adjustments:	\$80,000	0%	-20%	0%	0%	15%	0%	-5%	\$76,000
24(585)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	100%	Private residence on both sides		
Adjustments:	\$80,000	0%	-20%	0%	0%	15%	0%	-5%	\$76,000

ROCKY POINT LOTS (TABLE 5 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
25(510)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	75%	Private residence on both sides		
Adjustments:	\$80,000	0%	-20%	0%	0%	5%	0%	-15%	\$68,000
26(519)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	Irregular Approx 50' x 108'	75%	Private residence on both sides		
Adjustments:	\$80,000	0%	-20%	0%	0%	5%	0%	15%	\$68,000
27(645)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	< 25%	Private residence on both sides		
Adjustments:	\$80,000	0%	-20%	0%	0%	-15%	0%	35%	\$52,000
28(654)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	50%	Private residence on both sides		
Adjustments:	\$80,000	0%	-20%	0%	0%	0%	0%	20%	\$64,000
29(528)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	90%	Private residence on both sides		
Adjustments:	\$80,000	0%	-20%	0%	0%	15%	0%	-5%	\$76,000
30(638)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	Irregular Approx 51' x 103'	90%	Private residence on both sides		
Adjustments:	\$80,000	0%	-20%	0%	0%	15%	0%	-5%	\$76,000

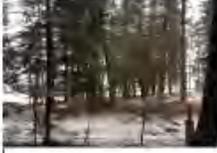
ROCKY POINT LOTS (TABLE 6 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
31(642)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	75%	Private Residence on one side, vacant park lot on the other		
Adjustments:	\$20,000	0%	-20%	0%	0%	5%	5%	-10%	\$72,000
32(656)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	50%	Private Residence on one side, vacant park lot on the other		
Adjustments:	\$80,000	0%	-20%	0%	0%	0%	5%	15%	\$68,000
33(503)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	50%	Private Residence on both sides		
Adjustments:	\$30,000	0%	-20%	0%	0%	0%	0%	20%	\$64,000
34(536)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	< 25%	Private Residence on both sides		
Adjustments:	\$80,000	0%	-20%	0%	0%	-15%	0%	35%	\$52,000
35(551)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	50%	Private Residence on both sides, near Highway 5 very loud road noise		
Adjustments:	\$80,000	0%	-20%	0%	0%	0%	-10%	30%	\$56,000
36(502)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	50%	Private Residence on both sides, near Highway 5 very loud road noise		
Adjustments:	\$80,000	0%	-20%	0%	0%	0%	-10%	-30%	\$56,000

ROCKY POINT LOTS (TABLE 7 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
37(614)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	Triangular Shape (Small)	50%	Private Residence on both sides, near Highway 5 very loud road noise		
Adjustments	\$20,000	0%	-20%	0%	-10%	0%	-10%	-40%	\$48,000
38(623)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	75%	Private Residence on both sides, near Highway 5 very loud road noise		
Adjustments	\$80,000	0%	-20%	0%	0%	5%	-10%	25%	\$60,000
39(663)	Primary	Rocky Point Loop Road	Limited / Very Steep	Yes	50x100	75%	Private Residence on both sides, near Highway 5 very loud road noise		
Adjustments	\$30,000	0%	-20%	0%	0%	5%	-10%	25%	\$60,000
40(621)	Primary	Rocky Point Loop Road	Limited / Steep	Yes	50x100	75%	Private Residence on both sides, near Highway 5 very loud road noise		
Adjustments	\$20,000	0%	-10%	0%	0%	5%	-10%	15%	\$68,000
41(631)	Primary	Rocky Point Loop Road	Limited / Steep	Yes	50x100	75%	Private Residence on both sides, near Highway 5 very loud road noise		
Adjustments	\$80,000	0%	-10%	0%	0%	5%	-10%	15%	\$68,000
42(620)	Primary	Rocky Point Loop Road	Limited / Steep	Yes	50x100	75%	Private Residence on both sides, near Highway 5 very loud road noise		
Adjustments	\$80,000	0%	-10%	0%	0%	5%	-10%	15%	\$68,000

ROCKY POINT LOTS (TABLE 8 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	V/low (% open)	Adjacent Land	Total Adjustments	Adjusted Value
43(633)	Primary	Rocky Point Loop Road	Limited / Steep to Moderate site	Yes	50x100	50%	Private Residence on both sides, near Highway 5 very loud road noise		
Adjustments:	\$20,000	0%	-5%	0%	0%	0%	-10%	-15%	\$68,000
44(524)	Secondary	Rocky Point Loop Road	Yes / Gentle to Steep uphill lot backs up to Hwy 5	Yes	50x100	No View of lake, across road from common park amenities	State Park land on one side, private residence on the other, near Highway 5 with loud road noise		
Adjustments:	\$45,000	0%	0%	0%	0%	-15%	-10%	-25%	\$33,750
45(546)	Secondary	Rocky Point Loop Road	Yes / Gentle to Steep uphill lot backs up to Hwy 5	Yes	50x100	No View of lake, across road from common park amenities	Private Residence on both sides, near Highway 5 very loud road noise		
Adjustments:	\$45,000	0%	0%	0%	0%	-15%	-10%	-25%	\$33,750
46(547)	Secondary	Rocky Point Loop Road	Yes / Gentle to Steep uphill lot backs up to Hwy 5	Yes	50x100	No View of lake, across road from common park amenities	Private Residence on one side, vacant park lot on the other, near Highway 5 very loud road noise		
Adjustments:	\$45,000	0%	0%	0%	0%	-15%	-10%	-25%	\$33,750
47(500)	Secondary	Rocky Point Loop Road	Yes / Gentle to steep slope uphill from rocky point road toward back of lot	Yes	50x100	No View of lake	Private Residence on one side, vacant park lot on the other, across the road from common park amenities		
Adjustments:	\$45,000	0%	0%	0%	0%	-15%	5%	-10%	\$40,500
48(619)	Secondary	Rocky Point Loop Road	Yes / Gentle to steep slope uphill from rocky point road toward back of lot	Yes	50x100	No View of lake	Private residences on both sides; across the road from common park amenities		
Adjustments:	\$45,000	0%	0%	0%	0%	-15%	5%	-10%	\$40,500

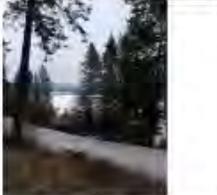
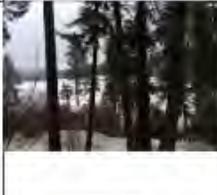
ROCKY POINT LOTS (TABLE 9 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
49(577)	Secondary	Rocky Point Loop Road	Yes / Gentle to steep slope uphill from rocky point road toward back of lot	Yes	50x100	No View of lake	Private residences on both sides; across the road from common park amenities		
Adjustments	\$45,000	0%	0%	0%	0%	-15%	5%	-10%	\$40,500
50(508)	Secondary	Rocky Point Loop Road	Yes / Gentle	Yes	50x100	No View of lake	Private residences on both sides; across the road from common park amenities		
Adjustments	\$45,000	0%	5%	0%	0%	-15%	5%	+5%	\$42,750
51(576)	Secondary	Rocky Point Loop Road	Limited / Moderate to steep uphill lot	Yes	Irregular (approx 5500 sf)	No View of lake	Private residences on both sides; across the road from common park amenities		
Adjustments	\$45,000	0%	-10%	0%	0%	-15%	5%	+20%	\$36,000
52(600)	Secondary	Good from Uphill Access Drive (assumed)	Good from uphill access point, but poor from Lower Rocky Point Road where it is a steep uphill lot	Yes	Irregular (approx 6800 sf)	No View	Private Residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	-10%	0%	5%	-15%	5%	+15%	\$38,250
53(617)	Secondary	Potential shared parking from uphill access drive with Lot 52	Limited / Steep from Lower Rocky Point Road	Yes	50x100	10%	Private Residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	-10%	0%	0%	-15%	5%	+20%	\$36,000
54(622)	Secondary	Rocky Point Loop Road	Limited / Steep from Lower Rocky Point Road	Yes	50x100	0%	Private Residence on both sides		
Adjustments	\$45,000	0%	-10%	0%	0%	-15%	0%	+25%	\$33,750

ROCKY POINT LOTS (TABLE 10 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
55(563)	Secondary	Rocky Point Loop Road	Limited / Steep from Lower Rocky Point Road	Yes	50x100	10%	Private Residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	-10%	0%	0%	-13%	5%	-20%	\$36,000
56(599)	Secondary	Rocky Point Loop Road	Limited / Steep from Lower Rocky Point Road	Yes	50x100	10%	Private Residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	-10%	0%	0%	-13%	5%	-20%	\$36,000
57(657)	Secondary	Rocky Point Loop Road	Limited / Steep from Lower Rocky Point Road	Yes	50x100	10%	Private residences on both sides		
Adjustments	\$45,000	0%	-10%	0%	0%	-13%	0%	25%	\$33,750
58(533)	Secondary	Rocky Point Loop Road	Limited / Steep from Lower Rocky Point Road	Yes	50x100	10%	Private residences on both sides		
Adjustments	\$45,000	0%	-10%	0%	0%	-15%	0%	25%	\$33,750
59(572)	Secondary	Rocky Point Loop Road	Limited / Steep from Lower Rocky Point Road	Yes	50x100	0%	Private residences on both sides		
Adjustments	\$45,000	0%	-10%	0%	0%	-15%	0%	25%	\$33,750
60(605)	Secondary	Rocky Point Loop Road	Yes / Moderate to steep	Yes	50x100	10%	Private residences on both sides		
Adjustments	\$45,000	0%	-5%	0%	0%	-15%	0%	20%	\$36,000

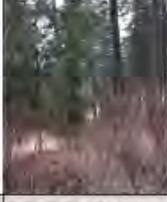
ROCKY POINT LOTS (TABLE 11 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
61(590)	Secondary	Rocky Point Loop Road	Yes / Gentle to moderate	Yes	50x100	50%	Private residences on both sides		
Adjustments	\$45,000	0%	0%	0%	0%	0%	0%	0%	\$45,000
62(582)	Secondary	Rocky Point Loop Road	Yes/Gentle to Steep	Yes	50x100	20%	Private Residence on one side, vacant state park area on the other		
Adjustments	\$45,000	0%	-5%	0%	0%	+15%	+0%	+10%	\$40,500
63(658)	Secondary	Upper Rocky Point Road	Yes / Gentle to moderate	Yes	50x100	No	Private Residence on one side, vacant state park area on the other		
Adjustments	\$45,000	0%	0%	0%	0%	+15%	+0%	+5%	\$42,750
64(639)	Secondary	Upper Rocky Point Road	Yes / Gentle to moderate	Yes	50x100	10%	Private residences on both sides		
Adjustments	\$45,000	0%	0%	0%	0%	+15%	0%	+15%	\$38,250
65(628)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x100	20%	Private residences on both sides		
Adjustments	\$45,000	0%	-5%	0%	0%	+15%	0%	+20%	\$36,000
66(649)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x100	30%	Private residences on both sides		
Adjustments	\$45,000	0%	-5%	0%	0%	-5%	0%	+10%	\$40,500

ROCKY POINT LOTS (TABLE 12 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
67(535)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x100	10%	Private residences on both sides		
Adjustments	\$45,000	0%	-5%	0%	0%	-15%	0%	-20%	\$36,000
68(647)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x100	10%	Private residences on both sides		
Adjustments	\$45,000	0%	-5%	0%	0%	-15%	0%	-20%	\$36,000
69(646)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x100	10%	Private Residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	-5%	0%	0%	-15%	5%	15%	\$38,250
70(560)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes		25%	Private Residence on one side, vacant park lot/land on the other		
Adjustments	\$45,000	0%	-5%	0%	0%	-5%	10%	0%	\$45,000
71(604)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x80	0%	Private residences on both sides		
Adjustments	\$45,000	0%	-5%	0%	+10%	-15%	0%	-30%	\$31,500
72(558)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x80	10%	Private residences on both sides		
Adjustments	\$45,000	0%	-5%	0%	+10%	-15%	0%	20%	\$31,500

ROCKY POINT LOTS (TABLE 13 OF 13)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
73(530)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x80	0%	Private Residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	-5%	0%	-10%	-13%	5%	-25%	\$33,750
74(662)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x100	10%	Private Residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	-5%	0%	0%	-15%	5%	-15%	\$38,250
75(651)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x100	0%	Private Residence on one side, vacant park lot on the other		
Adjustments	\$45,000	0%	-5%	0%	0%	-13%	5%	-15%	\$38,250
76(660)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x100	0%	Private residences on both sides		
Adjustments	\$45,000	0%	-5%	0%	0%	-15%	0%	-20%	\$36,000
77(625)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x100	0%	Private residences on both sides		
Adjustments	\$45,000	0%	-5%	0%	0%	-13%	0%	-20%	\$36,000
78(640)	Secondary	Upper Rocky Point Road	Yes / Gentle to steep	Yes	50x100	0%	State Park land on one side, private residence on the other		
Adjustments	\$45,000	0%	-5%	0%	0%	-15%	10%	-10%	\$40,500

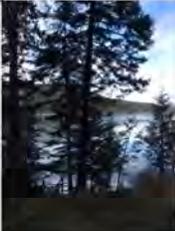
Area 3: Hawley's Landing Lot Valuation

Hawley's Landing is a small cove of 11 primary lots. The lots are generally level to moderately sloping. The water quality is slightly inferior to Rocky Point as it tends to be shallow and weedy. A slightly lower value of \$75,000 is allocated to the typical lot value in this area, with the adjustments for differences summarized in the adjustment key below. The lot summaries with adjustments and value conclusions are shown on the following pages.

ADJUSTMENTS KEY

Typical Lot		Adjustment	
Primary	\$75,000		
Secondary	N/A		
Access	Dirt	Dirt	0%
		Paved	0%
Parking / Terrain	Gentle / Moderate	Very Steep	-20%
		Steep	-10%
		Moderate / Steep	-5%
		Gentle / Steep	-5%
		Gentle / Moderate	0%
		Gentle	5%
Timber	Yes	Yes	0%
		No	0%
Size	5,000 to 6,000 sf	<5000 sf	-10%
		5,000 - 6,000 sf	0%
		5001 sf - 10,000 sf	5%
		> 10,000 sf	15%
View	50%	<25%	-15%
		25%- 49%	-5%
		50%	0%
		51% - 75%	5%
		>75%	15%
Adjacent Use	Private Residence	Road Noise/Parking Lot/boat launch	-10%
		Private Residence/Rental Cabin	0%
		Vacant Park Lot	5%
		Park	10%

HAWLEY'S LANDING LOTS (TABLE 1 OF 2)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
1 (580)	Primary	State Highway 5 to Chatcolet Road, right at Headquarters into Hawley's Landing Campground	Yes / Gentle to steep slope	Yes	50x100	75%	Private Residence on one side with the State Park on the other - Hawley's landing campground		
Adjustments	\$75,000	0%	0%	0%	0%	5%	10%	15%	\$86,250
2 (559)	Primary	State Highway 5 to Chatcolet Road, right at Headquarters into Hawley's Landing Campground	Yes / Gentle to moderate slope	Yes	50x100	75%	Private Residence on one side with a vacant park lot on the other		
Adjustments	\$75,000	0%	0%	0%	0%	5%	5%	10%	\$82,500
3 (507)	Primary	State Highway 5 to Chatcolet Road, right at Headquarters into Hawley's Landing Campground	Yes / Gentle to moderate slope	Yes	50x100	50%	Private Residence on one side with a vacant park lot on the other		
Adjustments	\$75,000	0%	0%	0%	0%	0%	5%	5%	\$78,750
4 (568)	Primary	State Highway 5 to Chatcolet Road, right at Headquarters into Hawley's Landing Campground	Yes / Gentle to moderate	Yes	50x100	50%	Private Residence on both sides		
Adjustments	\$75,000	0%	0%	0%	0%	0%	0%	0%	\$75,000
5 (578)	Primary	State Highway 5 to Hawley's Landing Road - Upper "Y"	Yes / Gentle to moderate	Yes	50x100	50%	Private Residence on one side, vacant park lot with sewer house on other side		
Adjustments	\$75,000	0%	0%	0%	0%	0%	5%	5%	\$78,750
6 (641)	Primary	State Highway 5 to Hawley's Landing Road - upper "Y"	Limited / Steep from access road	Minimal	50x100	90%	Private Residence on one side, vacant park lot on other side		
Adjustments	\$75,000	0%	-10%	0%	0%	15%	5%	10%	\$82,500

HAWLEY'S LANDING LOTS (TABLE 2 OF 2)

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
7 (593)	Primary	State Highway 5 to Hawley's Landing Road - upper "Y"	Limited / Steep from access road	Minimal	50x100	100%	Private Residence on both sides		
Adjustments	\$75,000	0%	-10%	0%	0%	15%	0%	5%	\$78,750
8 (554)	Primary	State Highway 5 to Hawley's Landing Road - lower "Y" - Dirt Road	Yes / Moderate to steep	Minimal	50x100	90%	Private Residence on both sides		
Adjustments	\$75,000	0%	-5%	0%	0%	15%	0%	10%	\$82,500
9 (573)	Primary	State Highway 5 to Hawley's Landing Road - lower "Y" - Dirt Road	Yes / Gentle	Minimal	50x100	90%	Private Residence on both sides (slight road noise)		
Adjustments	\$75,000	0%	5%	0%	0%	15%	-5%	15%	\$86,250
10 (550)	Primary	State Highway 5 to Hawley's Landing Road - lower "Y" - Dirt Road	Yes / Gentle	Minimal	50x100	90%	Private Residence on both sides (slight road noise)		
Adjustments	\$75,000	0%	5%	0%	0%	15%	-5%	15%	\$86,250
11 (553)	Primary	State Highway 5 to Hawley's Landing Road - lower "Y" - Dirt Road	Yes / Gentle	Minimal	Approx 8,138 sf	100%, panoramic view, unobstructed	Private Residence and park rental cabin (slight road noise)		
Adjustments	\$75,000	0%	5%	0%	5%	15%	-5%	20%	\$90,000

Area 4: Hanson's Haven Lot Valuation

Hanson's Haven is just one lot, with public uses on the adjacent lot and substantial road noise as it backs up to Highway 5, which are generally offsetting factors. Conversely, it large and has 100% views, as summarized below.

HANSON'S HAVEN LOT

Lot # (Lease #)	Type	Access	Parking / Terrain from access road to back of lot	Timber	Size	View (% open)	Adjacent Land	Total Adjustments	Adjusted Value
1(544)	Primary	State Hwy 5	Generally level, moderate slope from road	Modest	100 x 150	100%, unobstructed	State Park and substantial Road Noise (off setting factors)		
Adjustments	\$75,000	0%	0%	0%	15%	15%	0%	30%	\$97,500

Area 5: Float Homes Valuation

Float homes are typically developed out of necessity, when a waterfront lot is unbuildable due to topography, or lack of utilities, most often a septic drain field. The subject lots are unique in that the lease is the only thing that ties them to their location in Hidden Lake, and the location is not specific to any section of shoreline as previously discussed. We were unable to find any truly comparable sales. The float home sites are superior to most of the comparables in that the lease allows them the use of septic storage tank on the adjacent park land to pump the effluent from the float home. The storage tanks are emptied as needed, or once a year. As previously discussed, this unique benefit may not be continued after the upcoming year, but for the purpose of this analysis is assumed to be a benefit to the float home sites.

The following summary includes pending and closed transactions on dock lots that have similar boat and trail access only, or superior boat and road access. They are typically very steep, rendering them unbuildable for anything other than a dock, or potentially in support of a float home allowing the owner to take advantage of the otherwise unusable waterfront amenity. I have interviewed Jim Brady with the Department of Lands, and understand that before a permit for a float home will be approved in these locations, they must first be inspected and approved by Panhandle Health Department as either a dry or wet float home. Once a \$1,075 application fee is paid, they will also be required to pay \$250/year for a submerged land lease that ties the float home to the specified location, although it is noteworthy the \$250 submerged land lease fee does not apply to the subject sites within Heyburn State Park. The float homes proposed for use on these sites will typically utilize an incinerator style toilet, or be pumped out using some form of approved septic style sled approved by Panhandle Health Department. Mr. Brady indicated that a recently approved float home permit near Sales 1 and 2 utilized the incinerator toilet system. The ability of float homes to utilize these systems somewhat offsets the lack of on-site septic systems, or approved drain fields on these comparable sales

Market Conditions: We have used an average -10%/year adjustment in the following analysis of spot lot comparables from January 2008 through December 2011 with no additional adjustment after this date. The comparables are all from the last 18 months; therefore no adjustment for market conditions is made.

Other Adjustments: We have not considered adjustments for superior views or locations, but rather considered the sales on a qualitative basis.

RECREATION LOT SALES

Sale #	Sold Date	Location	Subdivision	Lot/Block	Lot Size	WF	Price	Mkt Cond	Mkt Adj Price	DOM	Features	Access	Utilities	Comparison Overall
Subject	NA	Hidden Lake	Heyburn State Park		NA	NA					Desirable views, shallow protected bay	Boat and trail access only	Power, on-site septic storage (pumped yearly)	
1	Pending	Bridger Trail Road, Harrison, ID	NA	W 1/2 L 9 (TX No 15512)	21,780	50	\$40,000-\$50,000	0%	\$45,000	14	Steep, unbuildable waterfront lots between Moscow Bay and Wolf Point	Boat and trail access only (Similar)	None (inferior)	Superior close in location
2	Pending	Bridger Trail Road, Harrison, ID	NA	(TX 15511)	43,560	100	\$50,000	0%	\$50,000	639	Steep, unbuildable waterfront lots between Moscow Bay and Wolf Point	Boat and trail access only (Similar)	Power (inferior)	Superior close in location
3	10/15/13	Mockingbird Loop	CDA Lake Estates (lot 13, Blk 2)	AIN 206507	13,939	90	\$129,000	0%	\$129,000, or \$75,000 after deduction for improvements and on-site amenities	393	Steep, unbuildable waterfront lot adjacent high end gated community with buildable lots. Sale includes bunk house with deck, boat dock, covered slip and sandy beach	Road and boat access with stairs down to beach (Superior)	Power (inferior)	Superior amenities in area of high amenity homes. Property is superior overall.
4	7/10/13	Mockingbird Loop	CDA Lake Estates (lot 14, Block 2)	AIN 206508	15,246	84	\$75,000	0%	\$75,000	78	Steep, unbuildable waterfront lot adjacent high end gated community with buildable lots.	Road and boat access. This lot needs stairs and power extended down to beach	Power (inferior)	Superior beach, and deep water in area of high end homes. Property is superior overall.
5	4/15/2013	Cottonwood Road	Lot 6	AIN 109678	35,719	132	\$38,500	0%	\$38,500	65	Steep, unbuildable waterfront lot on Cottonwood Bay, near Heyburn State Park	Road and boat access. RV Pad at the top of lot, but will need stairs and power extended down to waterfront (Superior Rd access)	Power and drainfield on site (similar)	Similar location to Heyburn State Park. Slightly superior overall.
6	7/23/13	L3 Tillicum, Rathdrum	Tillicum Sub-Div	L3	11,761	72	\$30,000	0%	\$30,000 or \$15,000 after deduction for dock & tram	82	Steep recreational lot with dock and tram	Boat access only	Power	Inferior
7	8/31/2012	NKA Teal Way, Rathdrum	Lakeview Add	L2/B5	6,970	59'	\$30,000	0%	\$30,000	357	Twin Lakes WF lot, located in flood zone, level, but not buildable due to flood zone.	Road and boat access near boat launch	Power	Inferior

Sales 1 and 2 are both pending transactions on the northeast side of the lake, between Moscow Bay and Wolf Point, in close proximity to I-90. The two parcels are both narrow and very steep with trail access from a nearby parking area providing access down to the waterfront. Difficulty of access is considered similar to the subject. Power is available, but expensive to extend to the parcels. The float homes will need to make use of incinerator toilets, and are inferior to the amenity offered to the subject sites as they exist today. The 100' waterfront lot is pending at \$50,000 as confirmed by the listing agent. The 50' waterfront lot is pending at a confirmed price range of \$40,000 to \$50,000, for which a mid-range estimate of \$45,000 is shown in the table. The negligible difference in price between the 50' wide lot and 100' wide lot is attributable to the lack of utility attributable to the water frontage, when compared to a buildable waterfront lot.

Sales 3 and 4 are from the east side of the lake in an area of newer high end single family homes in the adjacent gated community on Mockingbird Loop, as well as the popular Arrow Point neighborhood near Gozzer Ranch. These two transactions closed within three months of each other in 2013 at \$75,000 and \$129,000 with nearly identical physical characteristics, including a parking area at the top of the very steep lot, with a sandy beach and deep waterfront at the bottom. The \$129,000 sale included existing stairs down to the beach, power to the bunkhouse with sleeping quarters, a dock and covered slip. The \$54,000 premium associated with this sale can readily be attributed to these improvements making the unimproved rate of \$75,000 appropriate for both sites as unimproved. There were not any recent buildable waterfront sales in this immediate neighborhood for comparison; however, older transactions point to a higher value than seen on waterfront sales in the more remote subject neighborhood on the south end of the lake.

Sale 5 is the previously discussed unbuildable lot on Cottonwood Bay Road which also featured 100' of frontage, with the lot being quite steep and unbuildable due to the terrain and topography subject to slides. A nearby lot that was suitable for construction sold for \$93,000, or \$73,000 net of the \$20,000 allocated to the boat slip. This lot sale at \$38,500 has an RV Pad at the top of the lot near Cottonwood Road, but will require stairs, or a tram to the water frontage. Power is available for extension from the road. This unbuildable lot sold for approximately 53% of the nearby buildable lot with all other characteristics being very similar.

Sale 6 is a recreational lot with boat only access in Rathdrum that includes a tram and a dock. With an estimated dock/tram value of \$10,000 to \$15,000, this results in a lot value of \$15,000 to \$20,000 for the recreation lot.

Sale 7 is from the Lakeview Addition is located on Twin Lakes in Rathdrum, Idaho. This 2012 sale, which was originally listed for \$69,000 sold for \$30,000 after 357 days on the market down from higher priced sales in the same development two years earlier. These are level lots capable of supporting R.V.s and docks and have been used as recreation lots for many years. The lots are located on a desirable lake in a more rural area of Kootenai County. Sales 6 and 7 are dissimilar in terms of location, and used to set the low side of the range appropriate for the subject's float sites.

The preceding analysis of 43 primary lots in Rocky Point produced a range of reconciled lot values from \$48,000 for a very small triangular shaped lot with little view potential up to \$96,000 for a gentle to moderately sloping lot with big lake views. The average overall was \$72,000. The float homes do not have any uplands and views vary from one side of the protected cove to the other. The matched pair within Cottonwood Bay within the larger neighborhood supports a 50% to 53% allocation of value to an upland lot that is really only capable of supporting an RV, or dock lot and potentially float home. Since we do not have any uplands tied to the float home sites, a ratio to low side of the range of 50% is applied to the average price of \$72,000 from the Rocky Point primary lots, supporting a value near \$36,000 for the float home sites in Hidden Lake. Primary weight is placed on this analysis as well as the Cottonwood Bay dock lot sale at \$38,500. Reconciling these factors, I have concluded a mid-range rate of \$37,500 for each of the float home sites. This is less than the superior close in sales, or dock lots with superior sandy beach amenity and road access near a high amenity gated community on the east side of the lake, but lower than the recent sales in Lakeland Addition on Twin Lakes in Rathdrum.

Reconciliation

Summary of Value Conclusions

The indicated values from the approaches used and my concluded market values for the subject property are summarized in the following table.

VALUE INDICATIONS & CONCLUDED VALUE RANGES

Value Premise	Page Numbers	As Is
Value Sought:		Market Value
Dates of Value:		January 2 to 13, 2014
Lake Chatcolet Lots	40 to 49	\$33,750 to \$54,000
Rocky Point, Primary Lots	50 to 63	\$48,000 to \$96,000
Rocky Point, Secondary Lots	50 to 63	\$31,500 to \$45,000
Hawley's Landing Primary Lots	64 to 66	\$75,000 to \$90,000
Hanson's Haven Lot	67	\$97,500
Float Home Sites	68 to 71	\$37,500

Exposure and Marketing Periods

Exposure time may be defined as: the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the appraisal. The opinion of exposure time may be expressed as a range and can be based on one or more of the following:

- Statistical information about days on market;
- Information gathered through sales verification;
- Interviews of market participants.

The reasonable marketing time is an opinion of the amount of time it might take to sell a real property interest at the concluded market value level during the period immediately after the effective date of an appraisal. The opinion of marketing time may be a range and can be based on one or more of the following:

- Statistical information about days on market;
- Information gathered through sales verification;
- Interviews of market participants;
- Anticipated changes in market conditions.

The marketing time is a function of price, time, use, and anticipated market conditions, such as changes in the cost and availability of funds, and is not an isolated opinion of time alone. It is appropriate to discuss the impact of price/value relationships on marketing time and to contrast different potential prices and their associated marketing times with an appraiser's market value opinion for the subject property.

Based on statistical information about days on market, escrow length, and marketing times gathered through national investor surveys, sales verification, and interviews of market participants, marketing and exposure time estimates, of nine to 12 months each are considered reasonable and appropriate for the subject property.

Addenda

- Glossary
- Subject Photographs
 - Chatcolet Lots
 - Hidden Lake Float Homes
 - Hawley's Landing Lots
 - Rocky Point Lots
- Engagement Letter and Purchase Order
- Appraiser Qualifications
- Appraiser Licenses

Glossary

Definitions are taken from the Dictionary of Real Estate Appraisal, 5th Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP) and Building Owners and Managers Association International (BOMA).

Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

Additional Rent

Any amounts due under a lease that is in addition to base rent. Most common form is operating expense increases. (Dictionary)

Amortization

The process of retiring a debt or recovering a capital investment, typically though scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Dictionary)

Base (Shell) Building

The existing shell condition of a building prior to the installation of tenant improvements. This condition varies from building to building, landlord to landlord, and generally involves the level of finish above the ceiling grid. (Dictionary)

Base Rent

The minimum rent stipulated in a lease. (Dictionary)

Base Year

The year on which escalation clauses in a lease are based. (Dictionary)

Building Common Area

The areas of the building that provide services to building tenants but which are not included in the rentable area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building

common areas are; floor common areas, parking spaces, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

Certificate of Occupancy (COO)

A statement issued by a local government verifying that a newly constructed building is in compliance with all codes and may be occupied.

Common Area (Public) Factor

In a lease, the common area (public) factor is the multiplier to a tenant's useable space that accounts for the tenant's proportionate share of the common area (restrooms, elevator lobby, mechanical rooms, etc.). The public factor is usually expressed as a percentage and ranges from a low of 5% for a full tenant to as high as 15% or more for a multi-tenant floor. Subtracting one (1) from the quotient of the rentable area divided by the useable area yields the load (public) factor. At times confused with the "loss factor" which is the total rentable area of the full floor less the useable area divided by the rentable area. (BOMA)

Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property.

CAM can be a line-item expense for a group of items that can include maintenance of the parking lot and landscaped areas and sometimes the exterior walls of the buildings. CAM can refer to all operating expenses.

CAM can refer to the reimbursement by the tenant to the landlord for all expenses reimbursable under the lease. Sometimes reimbursements have what is called an administrative load. An example would be a 15% addition to total operating expenses, which are then prorated among tenants. The administrative load, also called an administrative and marketing fee, can be a substitute for or an addition to a management fee. (Dictionary)

Condominium

A form of ownership in which each owner possesses the exclusive right to use and occupy an allotted unit plus an undivided interest in common areas.

A multiunit structure, or a unit within such a structure, with a condominium form of ownership. (Dictionary)

Conservation Easement

An interest in real property restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may permit farming, timber harvesting, or other uses of a rural nature to continue, subject to the easement. In some locations, a conservation easement may be referred to as a conservation restriction. (Dictionary)

Contributory Value

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service ($DCR = NOI/Im$), which measures the relative ability to a property to meet its debt service out of net operating income. Also called Debt Service Coverage Ratio (DSCR). A larger DCR indicates a greater ability for a property to withstand a downturn in revenue, providing an improved safety margin for a lender. (Dictionary)

Deed Restriction

A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

Depreciation

1) In appraising, the loss in a property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the market value of the improvement on the same date.
2) In accounting, an allowance made against the loss in value of an asset for a defined purpose and computed using a specified method. (Dictionary)

Disposition Value

The most probable price that a specified interest in real property is likely to bring under the following conditions:

- Consummation of a sale within an exposure time specified by the client;
- The property is subjected to market conditions prevailing as of the date of valuation;
- Both the buyer and seller are acting prudently and knowledgeably;

- The seller is under compulsion to sell;
- The buyer is typically motivated;
- Both parties are acting in what they consider to be their best interests;
- An adequate marketing effort will be made during the exposure time specified by the client;
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 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. (Dictionary)

Easement

The right to use another's land for a stated purpose. (Dictionary)

EIFS

Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

Effective Date

1) The date at which the analyses, opinions, and advice in an appraisal, review, or consulting service apply. 2) In a lease document, the date upon which the lease goes into effect. (Dictionary)

Effective Rent

The rental rate net of financial concessions such as periods of no rent during the lease term and above- or below-market tenant improvements (TI's). (Dictionary)

EPDM

Ethylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings. (Dictionary)

Escalation Clause

A clause in an agreement that provides for the adjustment of a price or rent based on some event or index. e.g., a provision to increase rent if operating expenses increase; also called an expense recovery clause or stop clause. (Dictionary)

Estoppel Certificate

A statement of material factors or conditions of which another person can rely because it cannot be denied at a later date. In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an estoppel letter. (Dictionary)

Excess Land

Land that is not needed to serve or support the existing improvement. The highest and best use of the excess land

may or may not be the same as the highest and best use of the improved parcel. Excess land may have the potential to be sold separately and is valued separately. (Dictionary)

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying any operating expenses above a stated level or amount. (Dictionary)

Exposure Time

1) The time a property remains on the market. 2) The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. (Dictionary)

Extraordinary Assumption

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary)

Floor Common Area

Areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. (BOMA)

Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a full service lease. (Dictionary)

Going Concern Value

- The market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern.
- The value of an operating business enterprise. Goodwill may be separately measured but is an

integral component of going-concern value when it exists and is recognizable. (Dictionary)

Gross Building Area

The total constructed area of a building. It is generally not used for leasing purposes (BOMA)

Gross Measured Area

The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50% or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of the same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

Gross Up Method

A method of calculating variable operating expense in income-producing properties when less than 100% occupancy is assumed. The gross up method approximates the actual expense of providing services to the rentable area of a building given a specified rate of occupancy. (Dictionary)

Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

HVAC

Heating, ventilation, air conditioning. A general term encompassing any system designed to heat and cool a building in its entirety.

Highest & Best Use

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are 1) legal permissibility, 2) physical possibility, 3) financial feasibility, and 4) maximally profitability. Alternatively, the probable use of land or improved property-specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value. (Dictionary)

Hypothetical Condition

That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary)

Industrial Gross Lease

A lease of industrial property in which the landlord and tenant share expenses. The landlord receives stipulated rent and is obligated to pay certain operating expenses, often structural maintenance, insurance and real estate taxes as specified in the lease. There are significant regional and local differences in the use of this term. (Dictionary)

Insurable Value

A type of value for insurance purposes. (Dictionary)

(Typically this includes replacement cost less basement excavation, foundation, underground piping and architect's fees).

Investment Value

The value of a property interest to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)

Just Compensation

In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position as he or she would be if the property had not been taken. (Dictionary)

Leased Fee Interest

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease). (Dictionary)

Leasehold Interest

The tenant's possessory interest created by a lease. (Dictionary)

Lessee (Tenant)

One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

Lessor (Landlord)

One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

Liquidation Value

The most probable price that a specified interest in real property should bring under the following conditions:

- Consummation of a sale within a short period.
- The property is subjected to market conditions prevailing as of the date of valuation.
- Both the buyer and seller are acting prudently and knowledgeably.
- The seller is under extreme compulsion to sell.
- The buyer is typically motivated.
- Both parties are acting in what they consider to be their best interests.
- A normal marketing effort is not possible due to the brief exposure time.
- Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
- 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. (Dictionary)

Loan to Value Ratio (LTV)

The amount of money borrowed in relation to the total market value of a property. Expressed as a percentage of the loan amount divided by the property value. (Dictionary)

Major Vertical Penetrations

Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included; however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

Market Rent

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement including permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options and tenant improvements (TI's). (Dictionary)

Market Value

Market Value is defined as: "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:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and both acting in what they consider their own best interest;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and

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." (Dictionary)

Market Value As If Complete

Market value as if complete means the market value of the property with all proposed construction, conversion or rehabilitation hypothetically completed or under other specified hypothetical conditions as of the date of the appraisal. With regard to properties wherein anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, this estimate of value shall reflect the market value of the property as if complete and prepared for occupancy by tenants.

Market Value As If Stabilized

Market value as if stabilized means the market value of the property at a current point and time when all improvements have been physically constructed and the property has been leased to its optimum level of long term occupancy.

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Standards Board of the Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time). (Dictionary)

Master Lease

A lease in which the fee owners leases a part or the entire property to a single entity (the master lease) in return for

a stipulated rent. The master lessee then leases the property to multiple tenants. (Dictionary)

Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a double net lease, net net lease, partial net lease, or semi-gross lease. (Dictionary)

Option

A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the optionee) to buy, sell, or lease real property for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

Partial Interest

Divided or undivided rights in real estate that represent less than the whole (a fractional interest). (Dictionary)

Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real estate taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

Prospective Future Value Upon Completion

Market value "upon completion" is a prospective future value estimate of a property at a point in time when all of its improvements are fully completed. It assumes all proposed construction, conversion, or rehabilitation is hypothetically complete as of a future date when such effort is projected to occur. The projected completion date and the value estimate must reflect the market value of the property in its projected condition, i.e., completely vacant or partially occupied. The cash flow must reflect lease-up costs, required tenant improvements and leasing commissions on all areas not leased and occupied.

Prospective Future Value Upon Stabilization

Market value "upon stabilization" is a prospective future value estimate of a property at a point in time when stabilized occupancy has been achieved. The projected stabilization date and the value estimate must reflect the absorption period required to achieve stabilization. In addition, the cash flows must reflect lease-up costs, required tenant improvements and leasing commissions on all unleased areas.

Replacement Cost

The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout. (Dictionary)

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building. (Dictionary)

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." (Dictionary)

Sandwich Leasehold Estate

The interest held by the original lessee when the property is subleased to another party; a type of leasehold estate. (Dictionary)

Sublease

An agreement in which the lessee (i.e., the tenant) leases part or all of the property to another party and thereby becomes a lessor. (Dictionary)

Subordination

A contractual arrangement in which a party with a claim to certain assets agrees to make his or her claim junior, or subordinate, to the claims of another party. (Dictionary)

Substantial Completion

Generally used in reference to the construction of tenant improvements (TI's). The tenant's premises are typically deemed to be substantially completed when all of the TI's for the premises have been completed in accordance with the plans and specifications previously approved by the tenant. Sometimes used to define the commencement date of a lease.

Surplus Land

Land that is not currently needed to support the existing improvement but cannot be separated from the property and sold off. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

Triple Net (Net Net Net) Lease

A lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management. Also called NNN, triple net leases, or fully net lease. (Dictionary)

(The market definition of a triple net leases varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

Usable Area

The measured area of an office area, store area or building common area on a floor. The total of all the usable areas on a floor shall equal floor usable area of that same floor. The amount of floor usable area can vary over the life of a building as corridors expand and contract and as floors are remodeled. (BOMA)

Value-in-Use

The value of a property assuming a specific use, which may or may not be the property's highest and best use on the effective date of the appraisal. Value in use may or may not be equal to market value but is different conceptually. (Dictionary)

Subject Photographs – Chatcolet Lots

LOT 1 VIEW



LOT 2 VIEW



LOT 3 VIEW



LOT 5 VIEW



LOT 6 VIEW



LOT 7 VIEW



LOT 8 VIEW



LOT 9 VIEW



LOT 10 VIEW



LOT 11 VIEW



LOT 12 VIEW



LOT 13 VIEW



LOT 14 VIEW



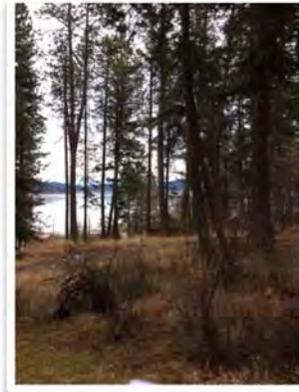
LOT 15 VIEW



LOT 16 VIEW



LOT 17 VIEW



LOT 18 VIEW



LOT 19 VIEW



LOT 20 VIEW



LOT 21 VIEW



LOT 22 VIEW



LOT 23 VIEW



LOT 24 VIEW



LOT 25 VIEW



LOT 26 VIEW



LOT 27 VIEW



LOT 28 VIEW



LOT 29 VIEW



LOT 30 VIEW



LOT 31 VIEW



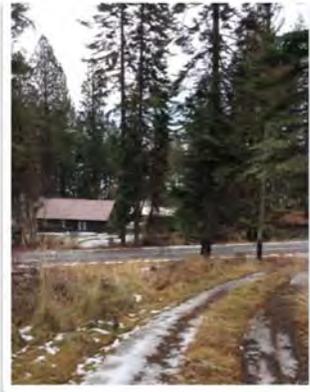
LOT 32 VIEW



LOT 33 VIEW



LOT 34 VIEW



LOT 35 VIEW



LOT 36 VIEW



LOT 37 VIEW



LOT 38 VIEW



LOT 39 VIEW



LOT 40 VIEW



LOT 41 VIEW



LOT 42 VIEW



LOT 43 VIEW



LOT 44 VIEW



LOT 45 VIEW



LOT 46 VIEW



LOT 47 VIEW



LOT 48 VIEW



LOT 49 VIEW



LOT 50 VIEW



LOT 51 VIEW



CABIN LOT VIEW ADJACENT TO LOT 51



LOT 52 VIEW



Subject Photographs – Hidden Lake Float Homes

BANK BEHIND FLOAT HOME 718



FLOAT HOME 700



FLOAT HOME 701



FLOAT HOME 702



FLOAT HOME 703



FLOAT HOME 704



FLOAT HOME 705



FLOAT HOME 708



FLOAT HOME 709



FLOAT HOME 710



FLOAT HOME 712



FLOAT HOME 713



FLOAT HOME 714



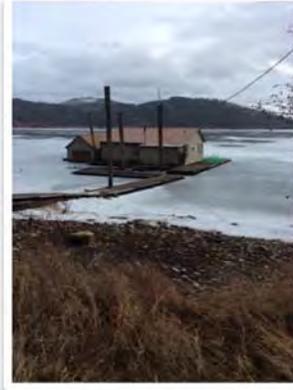
FLOAT HOME 715



FLOAT HOME 716



FLOAT HOME 718



FLOAT HOME 719



FLOAT HOME 721



FLOAT HOME 722



FLOAT HOME 724



FLOAT HOME 725



FLOAT HOME 726



FLOAT HOME 727



FLOAT HOME 728



**VIEW FROM NORTH TO SOUTH OF HIDDEN
LAKE**



**VIEW FROM WEST SIDE OF LAKE LOOKING
EAST**



**VIEW OF BRIDGE FROM NORTH END OF
HIDDEN LAKE**



**VIEW OF FLOATING HOME FROM SOUTH END
OF LAKE**



**VIEW OF MARSHY AREA ABOVE FLOATING
HOME 722**



Subject Photographs – Hawley’s Landing Lots

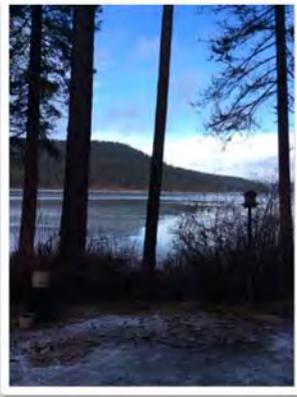
HANSEN’S HAVEN VIEW



HL LOT 1 VIEW



HL LOT 2 VIEW



HL LOT 3 VIEW



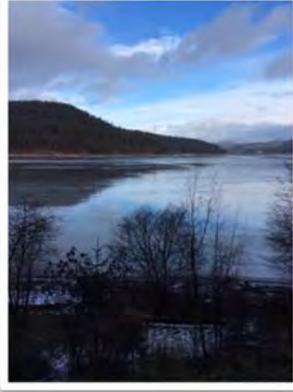
HL LOT 4 VIEW



HL LOT 5 VIEW



HL LOT 6 VIEW



HL LOT 7 VIEW



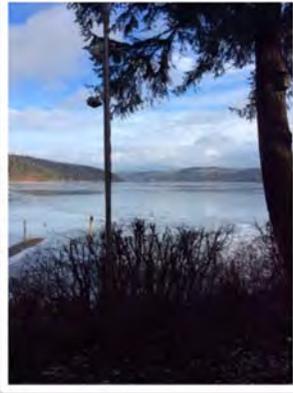
HL LOT 8 VIEW



HL LOT 9 VIEW



HL LOT 10 VIEW



HL LOT 11 VIEW

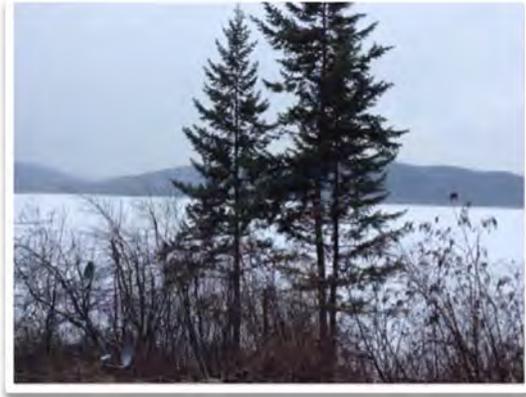


Subject Photographs – Rocky Point Lots

LOT 1 VIEW



LOT 2 VIEW



LOT 3 VIEW



LOT 4 VIEW



LOT 5 VIEW



LOT 6 VIEW



LOT 7 VIEW



LOT 8 VIEW



LOT 9 VIEW



LOT 9 VIEW



LOT 10 VIEW



LOT 11 VIEW



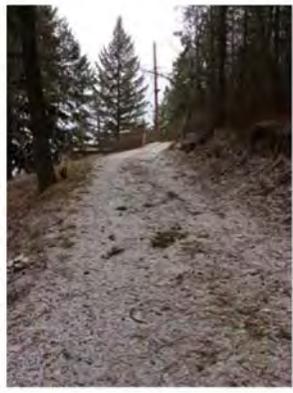
LOT 12 VIEW



LOT 13 VIEW



LOT 14 DRIVEWAY OFF OF ROCKY POINT ROAD



LOT 14 VIEW



LOT 14 WITH ADJACENT PARK LAND



LOT 14 WITH SEWER LINE NEXT TO IT



LOT 15 VIEW



LOT 16 VIEW



LOT 17 VIEW



LOT 18 VIEW



LOT 19 VIEW



LOT 20 VIEW



LOT 21 VIEW



LOT 22 VIEW



LOT 23 VIEW



LOT 24 VIEW



LOT 25 VIEW



LOT 26 VIEW



LOT 27 VIEW



LOT 28 VIEW



LOT 29 VIEW



LOT 30 VIEW



LOT 31 VIEW



LOT 32 VIEW



LOT 33 VIEW



LOT 34 VIEW



LOT 35 VIEW



LOT 36 VIEW



LOT 37 VIEW



LOT 38 VIEW



LOT 39 VIEW



LOT 40 VIEW



LOT 41 VIEW



LOT 42 VIEW



LOT 43 VIEW



LOT 44 VIEW



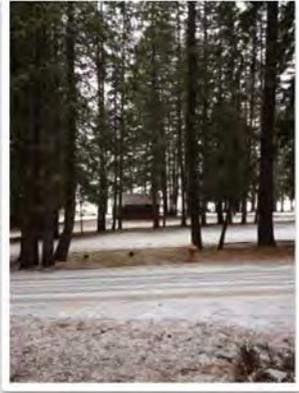
LOT 45 HOUSE



LOT 45 VIEW



LOT 46 VIEW



LOT 47 VIEW



LOT 48 VIEW



LOT 49 VIEW



LOT 50 VIEW



LOT 51 VIEW



LOT 52 VIEW



LOT 52 ACCESS ROAD



LOT 52 CABIN



LOT 52 CABIN VIEW FROM ROCKY POINT ROAD



LOT 53 CABIN



LOT 53 VIEW



LOT 54 VIEW



LOT 55 VIEW



LOT 55 VIEW



LOT 56 VIEW



LOT 57 VIEW



LOT 58 VIEW



LOT 59 VIEW



LOT 60 VIEW



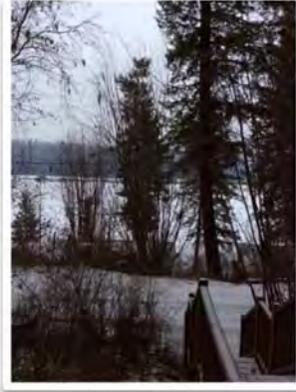
LOT 60 SHARED DRIVEWAY WITH LOT 61



LOT 61 VIEW



LOT 62 VIEW



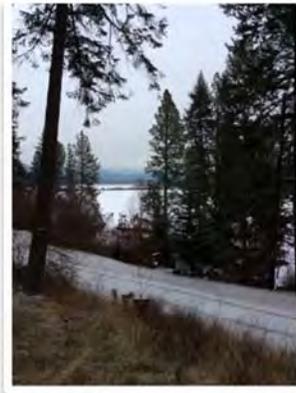
LOT 62 – BACK PORTION OF THE LOT



LOT 63 VIEW



LOT 64 VIEW



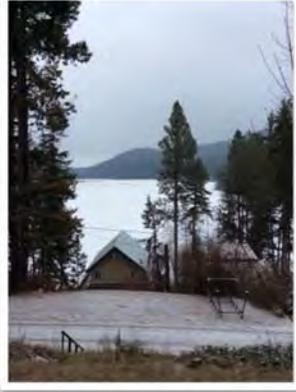
LOT 64 VIEW



LOT 65 VIEW



LOT 66 VIEW



LOT 67 VIEW



LOT 68 VIEW



LOT 69 VIEW



LOT 69 VIEW



LOT 70 VIEW



LOT 71 VIEW



LOT 72 VIEW



LOT 73 VIEW



LOT 74 VIEW



LOT 75 VIEW



LOT 76 VIEW



LOT 77 VIEW



LOT 78 VIEW



MAIN LODGE



MARINA



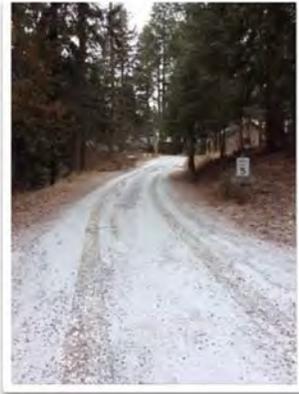
PARK AND MARINA AREA



PICNIC AREA



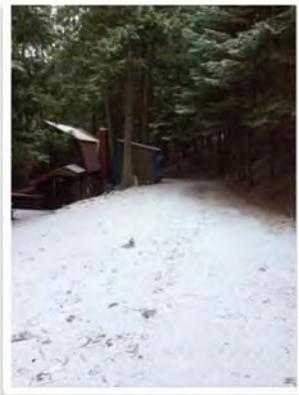
ROCKY POINT ROAD (UPPER SECTION)



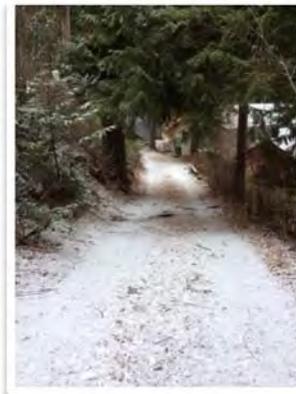
**ROCKY POINT ROAD TOWARD HIGHWAY 5
ENTRANCE**



**SHARED DRIVEWAY LOOKING DOWN FROM
ROCKY POINT ROAD**



SHARED DRIVEWAY OF LOTS 39 AND 40



Mr. David White
December 11, 2013
Page 2

Based upon my understanding of your RFP, I would like to bid **\$15,000** with a projected completion date within **35 days** from the date of award. The results of the appraisal analyses will be transmitted to you in **two (2) hard copies** and will be available in electronic format as well. Additional work, if necessary, to represent the Idaho Department of Parks and Recreation in explanatory meetings and individual appeals will be on an hourly basis at \$225/hour, as outlined in below.

2013-2014 FEE SCHEDULE
Vicki K. Mundlin, MAI

SERVICE	RATE
Appraisal Analysis (including travel time)	\$225/hour
Research Assistant	\$90/hour
Additional Analysis and Consulting Services (including travel time)	\$225/hour
Deposition Preparation (including travel time)	\$225/hour
Deposition Testimony	\$295/hour, \$590 minimum
Court/Trial Testimony including wait time (travel time billed at \$115/hour)	\$350/hour, \$700 minimum
Travel outside of the Spokane/Coeur d'Alene metro area billed at actual cost or at IRS recognized rate, as applicable.	At Cost

Thank you for the opportunity to be of service to you and I would be happy to answer any other questions you may have.

Respectfully submitted,



Vicki K. Mundlin, MAI
Idaho State Certified General Appraiser
License No. CGA-411

Attachments:

- Appraiser Qualifications
- Appraiser References

IDAHO DEPARTMENT OF PARKS & RECREATION

No: C2014-003


 Billing Address:
 Idaho Department of Parks & Recreation
 John Arnold
 P.O. Box 83720
 Boise, ID 83720-0965
 Phone: (208) 514-2462
 FAX: (208) 334-2639

Req. No.

Date: 12/16/2013

PURCHASE ORDER

Ordered From:		Ship to:	
Valbridge Property Advisors		IDPR North Region Office	
Address:		Address:	
1675 N. Lakewood Dr. Suite 100		2885 Kathleen Ave Suite 1	
City, State, Zip:		City, State, Zip:	
Coeur d'Alene, ID 83814		Coeur d'Alene ID 83815	
Quantity	Unit	Unit Price	Amount
1			\$15,000.00
Articles			
Heyburn Recreational Residence Site Appraisal.			
The scope of work for the appraisal was identified in the original RFP and has been provided with this agreement for services.			
Appraisal analyses will be provided in two hard copies and one electronic format.			
Any additional cost beyond the quoted amount must be approved by IDPR prior to the start of any additional work.			
Please call David White at 208-769-1511 to confirm a start date & projected completion date.			
<input checked="" type="checkbox"/> Purchase Order <input type="checkbox"/> Confirmation Only		ALL ORDERS F.O.B. DESTINATION ONLY Please send 2 copies of your invoice with original bill of lading Authorized Signature: <i>John Arnold</i> Title: Buyer	
TOTAL		\$15,000.00	
		complete	

ENCUMBRANCE SUMMARY		
Line No.	PCA Fund	Sub Obj Amount
1	21184 0410.01	5170 \$15,000.00
	GRANT # 21HECA 00	

 PURCHASE ORDER NUMBER MUST BE REFERENCED ON
 ALL INVOICES, PACKING LISTS, AND SHIPPING CONTAINERS.

Vendor # 911274341 00

Qualifications of Vicki K. Mundlin, MAI Senior Managing Director

Valbridge Property Advisors | Auble, Jolicoeur & Gentry, Inc.

Independent Valuations for a Variable World

State Certifications

State of Washington
State of Idaho
State of Montana

Membership/Affiliations:

Member: Appraisal Institute - MAI Designation
President: Inland NW Chapter—Appraisal Institute (2004-2005)
Member: Coeur d’Alene Traders Club
Member: Coeur d’Alene Chamber of Commerce
Member: Spokane Home Builders Association

Appraisal Institute & Related Courses:

Appraisal Institute Courses:
Standards of Professional Practice – 2013
Appraisal Overview Curriculum- 2011
Business Practices & Ethics – 2010, 2005, 2011
Real Estate Finance, Statistics and Valuation Modeling- 2011
Supervising Appraisal Trainees - 2012
Land, Condo & Subdivisions, Solutions to Hard Value Assets - 2010
Condominiums, Coops and PUDs - 2007
General Appraiser Market Analysis & Highest & Best Use – 2008
Evaluating Commercial Construction - 2004
Valuation of Detrimental Conditions – 2002
Separating Real & Pers. Property from Intangible Bus. Assets - 2002

Education

Bachelor of Science
Management
Lewis-Clark State College

Experience:

Senior Managing Director

ValbridgePropertyAdvisors|Auble, Jolicoeur & Gentry, Inc. (2013-Present)

Principal & Analyst/Appraiser

Auble, Jolicoeur & Gentry, Inc. (2004-2013)

Appraiser

Auble, Jolicoeur & Gentry, Inc. (1992-2003)

Appraisal/valuation and consulting assignments include: agricultural land; apartment buildings; assisted living facilities; commercial land & buildings; development land; master planned developments; industrial land; residential condominiums; retail/warehouse buildings; rural acreage; timberland; waterfront properties; wetlands.

Contact Details

208-292-2965 (p)
208-292-2971 (f)

Valbridge Property Advisors |
Auble, Jolicoeur & Gentry, Inc.
1875 N. Lakewood Drive
Suite 100
Coeur d’Alene, ID 83814

www.valbridge.com
vmundlin@valbridge.com

Licenses

