

APPRAISAL REPORT

Of the

Melody Taft Property
Beaverhead County, Montana

Prepared for:

The University of Utah
Department of Real Estate Administration
c/o John Creer, Chief Real Estate Officer
Salt Lake City, Utah

As of:

September 8, 2022

Prepared by:

Kevin T. Pearce, ARA
Certified General Appraiser, MT #63 & WY #436
Accredited Rural Appraiser, ASFMRA #1081
Twin Bridges, Montana



NEW FRONTIER
▪ R A N C H E S ▪



NEW FRONTIER
▪ R A N C H E S ▪

October 3, 2022

John Creer, Chief Real Estate Officer
Department of Real Estate Administration
University of Utah
505 Wakara Way, Suite 210
Salt Lake City, Utah 84108

via email: Rebecca.Paulson@utah.edu

RE: Melody Taft Property Appraisal

Dear Mr. Creer:

In accordance with your authorization and instructions, I have prepared an analysis and appraisal of the Melody Taft Property located about 50 air miles south of Dillon, Montana in Beaverhead County. The property appraised consists of a total of 160 deeded acres situated in the Centennial Valley west of Lakeview that consists of entirely mountainous pasture land. The property is structurally improved with an older modest cabin and an old barn that offer some limited utility but minimal contributive value. Of special note, the Taft Property is subject to an existing Deed of Conservation Easement and a Right of First Refusal to purchase the property held by Huntsman Ranch.

The appraisal prepared for you is presented herein as a narrative USPAP-Compliant Appraisal Report that is also intended to serve as an IRS Qualified Appraisal. The objective of this appraisal analysis was to estimate the Market Value of the real property for negotiation and possible donative purposes. My research and analysis of the available market data indicates that as of September 8, 2022, the market value of the subject property was \$928,000.00 in its "as is" condition and is in terms of cash.

I herewith deliver to you the appraisal report in electronic PDF format; said appraisal contains 49 numbered pages plus maps, exhibits, and the addenda. I hereby certify that I have provided no other appraisal or real estate services for the property that is the subject of this appraisal within the three-year period preceding acceptance of this assignment. I certify that I have no interest, present or prospective, in the herein described property beyond this appraisal assignment and that my employment is in no way contingent upon the amount of my valuation. I certify that my opinion is based on a study of the data obtained, and my appraisal education, experience, and knowledge of local real estate values.

Respectfully submitted,

Kevin T. Pearce, ARA
ASFMRA Accredited Rural Appraiser, #1081
U.S. Certified General Appraiser, MT #63 & WY #436

TABLE OF CONTENTS

Letter of Transmittal
Table of Contents

I. Introduction and Scope of Work

- A. Summary, Salient Points, and Conclusion..... 1
- B. Authorization and Scope of Work Outline..... 3
- C. Client and Intended User(s) of Report..... 4
- D. Purpose and Intended Use of the Appraisal..... 4
- E. Competency of the Appraiser(s)..... 5
- F. Prior Services by the Appraiser(s)..... 5
- G. Effective Date of the Appraisal..... 5
- H. Date of the Appraisal Report..... 6
- I. Subject of the Appraisal..... 6
- J. Ownership and Sales History..... 7
- K. Property Interest Appraised..... 8
- L. Exposure Time..... 10
- M. Scope of Work Performed..... 11

II. Real Property Analysis

- A. General Location..... 13
- B. Area and Community Data..... 13
- C. Subject Property - Site Access..... 18
- D. Subject Property Features..... 19
- E. Utilities..... 27
- F. Current Property Use..... 27
- G. Recreational Resources..... 27
- H. Water Resources..... 27
- I. Mineral Rights..... 28
- J. Timber Rights..... 28
- K. Zoning and Real Estate Taxes..... 28
- L. Easements and Encroachments..... 28
- M. Hazards and Detriments..... 30
- N. Environmental Factors 30

TABLE OF CONTENTS - Continued

III. Valuation Process

A.	Introduction and Outline.....	31
B.	Market Observations.....	32
C.	Highest and Best Use.....	35
D.	Approaches to Value – Definitions.....	39
E.	Appraisal Approach Selection	40
F.	Sales Comparison Approach.....	40
G.	Jones Cemetery.....	45
H.	Right of First Refusal.....	45
I.	Conservation Easement.....	45
J.	Reconciliation and Value Conclusion.....	46

IV. Appraisal Limiting Conditions and Certification 47

Addenda

Comparable Sale Data
Subject Property Data
Authorization Letter
Appraiser's Qualifications

I. INTRODUCTION & SCOPE OF WORK

A. Summary, Salient Points, and Conclusion

Property Owner of Record: Melody Ann Taft.

Property Location: Located approximately 50 air miles south of Dillon, Montana in the Centennial Valley; Beaverhead County, MT.

Client: The University of Utah, c/o John Creer, Chief Real Estate Officer, Department of Real Estate Administration.

Intended User(s): The University of Utah, Department of Real Estate Administration and Melody Taft.

Appraiser(s): Kevin T. Pearce, ARA
NEW FRONTIER RANCHES, INC.
111 N. Main St. – PO Box 469
Twin Bridges, MT 59754
(406) 684-5850

Purpose of the Appraisal: To provide a professional opinion of the market value of the specified real property for possible acquisition by the University of Utah.

Effective Date of Appraisal: September 8, 2022.

Estate Appraised: The surface fee ownership reduced by any easements, restrictions, or conditions, etc. of record and excepting specific valuation of mineral, water, and timber rights (if any), free and clear of encumbrances and liens. The property being appraised is encumbered by a Deed of Conservation Easement placed on the property January 25, 2019, whereby significant property rights were granted to the Montana Land Reliance. The Taft Property is also subject to an existing Right of First Refusal to purchase the property. The estate appraised in this assignment shall be of the surface fee property rights which remain with the property.

Subject Property: The property to be appraised consists of approximately 160 deeded acres situated in single tract of land located about 50 air miles south of Dillon in the Centennial Valley being about 8 miles west of Lakeview. The land consists of foothill mountainous pasture land with a pleasing mixture of open grass meadows and sagebrush, together with areas of willows, trees, and timber. The property is structurally improved with a seasonal home/cabin and an old barn.

The ranch is encumbered by a Deed of Conservation Easement granted to the Montana Land Reliance in 2019 which allows for agricultural and recreational uses but prohibits future subdivision and restricts future residential development of the property.

Highest and Best Use: Recreational / Agricultural / Investment as dictated by the deed of conservation easement.

Valuation Conclusion: Sales Comparison Approach: \$928,000.00

Final Value Conclusion: \$928,000.00

B. Authorization and Scope of Work Outline

The appraiser was engaged to prepare an appraisal of the subject property on August 1, 2022, by John Creer, Chief Real Estate Officer, Department of Real Estate Administration, University of Utah, Salt Lake City, Utah. Authorization to inspect and appraise the property was granted by Melody Taft, the landowner, via written correspondence dated August 2, 2022.

The current Uniform Standards of Professional Appraisal Practice (USPAP) Scope of Work Rule requires that for each appraisal assignment, an appraiser must:

1. identify the problem to be solved;
2. determine and perform the scope of work necessary to develop credible assignment results; and
3. disclose the scope of work in the report.

The appraiser must properly identify the problem to be solved in order to determine the appropriate Scope of Work. Scope of Work includes but is not limited to:

- the extent to which the property is identified;
- the extent to which tangible property is inspected;
- the type and extent of data researched; and
- the type and extent of analyses applied to arrive at opinions or conclusions.

An appraiser must gather and analyze information about those assignment elements that are necessary to properly identify the appraisal problem to be solved. In an appraisal assignment, identification of the problem to be solved requires the appraiser to identify the following assignment elements:

- client and any other intended users;
- intended use of the appraiser's opinions and conclusions;
- type and definition of value;
- effective date of the appraiser's opinions and conclusions;
- subject of the assignment and its relevant characteristics; and
- assignment conditions.

The Scope of Work must include the research and analyses that are necessary to develop credible assignment results. The Scope of Work is acceptable when it meets or exceeds:

- the expectations of parties who are regularly intended users for similar assignments; and
- what an appraiser's peers' actions would be in performing the same or a similar assignment.

The following pages of this report are intended to contain sufficient information to allow the intended user(s) to understand the Scope of Work performed and the subsequent appraisal process.

C. Client and Intended User(s) of the Report

The client for this assignment is the University of Utah, c/o John Creer, Chief Real Estate Officer, Department of Real Estate Administration, University of Utah, Salt Lake City, Utah. The intended users of this appraisal report are anticipated to be the University of Utah Department of Real Estate Administration and Melody Taft.

D. Purpose and Intended Use of the Appraisal

The purpose of this appraisal is to provide the appraiser's impartial professional opinion of the subject real property's **fair market value** as of the effective date for negotiation between the parties and possible donative acquisition by the University of Utah. This appraisal report is not intended for any other purpose.

Fair Market Value is defined within IRS Publication 561 and 26CFR S1.170A-17(a)(5)(i) as:

“The fair market value is the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of relevant facts.”

The above definition of “Fair Market Value” is considered to be synonymous with “Fair Market Value” definitions offered by the *Uniform Standards for Federal Land Acquisitions and Rules and Regulations, Federal Register, Vol. 55, No. 129, Page 27771* and “Market Value” as defined within Title XI of FIRREA and The Dictionary of Real Estate Appraisal, Third Edition.

E. Competency of the Appraiser(s)

The Uniform Standards of Professional Appraisal Practice (USPAP) requires that prior to accepting an appraisal assignment the appraiser must properly identify the appraisal problem to be addressed and have the knowledge and experience necessary to complete the assignment competently. The Appraiser must determine, prior to accepting an assignment, that he or she can perform the assignment competently. Competency requires:

1. the ability to properly identify the problem to be addressed;
2. the knowledge and experience to complete the assignment competently; and
3. recognition of, and compliance with, laws and regulations that apply to the appraiser or to the assignment.

The appraisal presented herein is developed and conducted by Kevin T. Pearce, ARA. Kevin Pearce has been appraising farm, ranch, and rural properties for more than 37 years and holds General Appraisal Certificates for the States of Montana (#63) and Wyoming (#436). He is an Accredited Rural Appraiser (ARA #1081) by the American Society of Farm Managers and Rural Appraisers and has worked extensively in Montana and Wyoming with emphasis on appraising farm, ranch, recreational, and rural

residential properties. I have been active in the appraisal and analysis of conservation easements on rural lands in Montana and Wyoming for more than 23 years. The appraiser signing this appraisal report certifies that he has the education qualifications, knowledge, and experience to complete this assignment competently in accordance with the standards and requirements of the Uniform Standards of Professional Appraisal Practice (USPAP).

In preparing this appraisal report the appraiser further declares and certifies the following:

- This appraisal is intended to serve as a Qualified Appraisal pursuant to IRS guidelines for income tax purposes and in a manner consistent with the substance and principles of the Uniform Standards of Professional Appraisal Practice (USPAP).
- I certify that I am a Qualified Appraiser under S1.170.(f)(11) of the Internal Revenue Code and I declare that, because of my background, experience, education, and membership in professional organizations, I am qualified to make appraisals of real estate, and in particular, conservation easements and fractional interests in real estate.
- I am licensed in Montana and Wyoming to appraise the type of property appraised in this report and I regularly perform appraisals of the type of property appraised in this report.
- I have not been prohibited from practicing before the Internal Revenue Service by the Secretary of the Treasury under S330(c) of Title 31 of the United States Code at any time during the three year period ending on the date of this appraisal.
- I understand that this appraisal may be used in conjunction with a tax return or claim for refund, and a substantial or gross valuation misstatement resulting from this appraisal may subject me to a civil penalty.

Please refer to the complete Appraiser's Qualifications that are placed in the addenda of this report. No one else has provided significant assistance to the appraiser unless noted in this report.

F. Prior Services by the Appraiser(s)

The appraiser certifies that he has provided no services, as an appraiser, or in any other capacity regarding the property that is the subject of the appraisal within the three-year period immediately preceding acceptance of this assignment that resulted in this report.

G. Effective Date of the Appraisal

The property being appraised was inspected and photographed on September 8, 2022, by Kevin T. Pearce in the company of Mark Bergstrom representing the University of Utah and John Taft, representing the landowner. The effective date of valuation shall be September 8, 2022, the date of my property inspection.

H. Date of the Appraisal Report

This appraisal was prepared during September and October 2022. The appraisal report was completed and signed on October 3, 2022.

I. Subject of the Appraisal

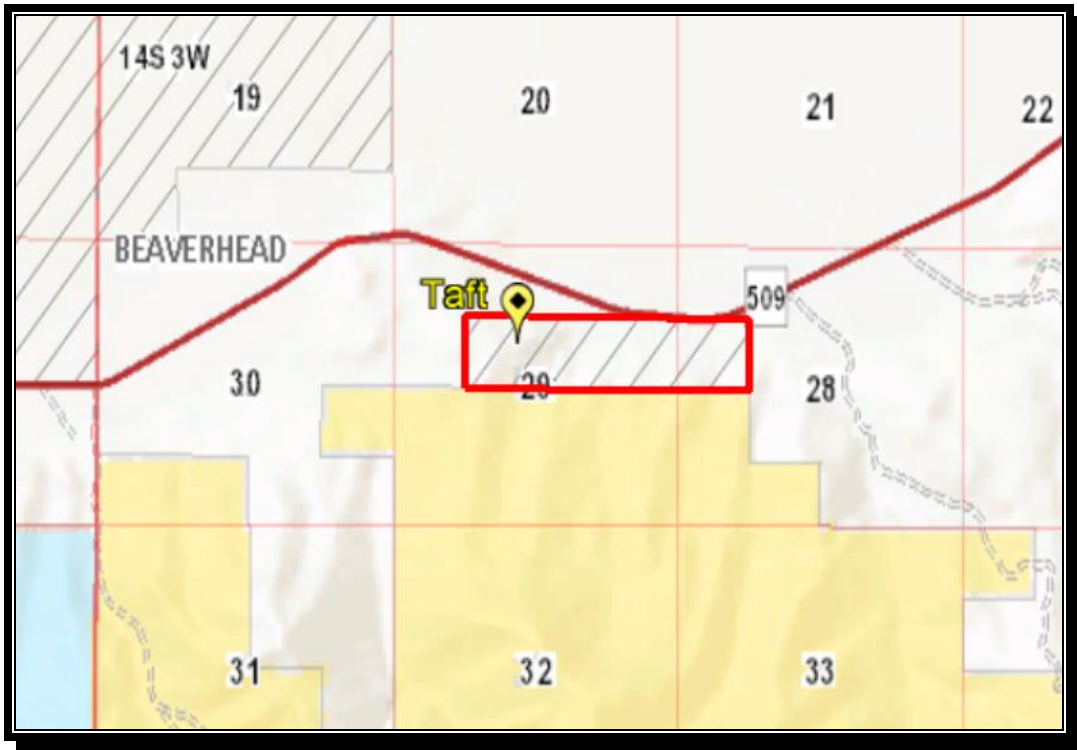
The property being appraised herein is located about 50 air miles south of Dillon, Montana in the Centennial Valley. For this appraisal report, the property will be referred to as the Taft Property or the subject/appraised property. The appraised property consists of the real property only; no personal property, trade fixtures, furniture, or equipment is included in this report unless specifically noted.

The legal description and acreage figures for the subject property illustrated below are those derived from public county records and the Deed of Conservation Easement. The legal description and acreage figures are assumed to be correct.

Taft Property - Legal Description
Beaverhead County, Montana

<u>Township 14 South, Range 3 West, PMM</u>		<u>Acres</u>
Section 28:	SW1/4NW1/4	40.00
Section 29:	S1/2NE1/4, SE1/4NW1/4	120.00

	Total:	160.00



Subject Property = Red Outline
Yellow = BLM Land

J. Ownership and Sales History

According to public records, title to the real property is vested in the name of Melody Ann Taft. The property being appraised was acquired by Melody Taft on September 1, 1995, from her husband John Taft and the John E. Taft 1990 Trust. Terms were not disclosed and this transaction would not be considered an “arm’s-length” transaction. Since this transaction occurred more than 25 years ago, it would not be relevant to current value.

The Taft Property is not subject to any current listing or purchase / sale agreement, and it is reported that the subject property has not been formally offered for sale during the Taft ownership. A review of public records and multiple listing service data revealed no information to the contrary.

K. Property Interest Appraised

The property interest being appraised herein is the real property's surface fee estate reduced by any reservations, easements, rights, covenants, etc., of record and excepting specific valuation of mineral, water, and timber rights (if any). The sub-surface mineral estate is not appraised herein.

According to the ALTA Commitment for Title Insurance provided to me for the Taft Property (effective June 15, 2022) standard and common Schedule B Exceptions include Exceptions 1-13, 17, 19, 20 relating to taxes, assessments, easements, mining claims, liens, mineral rights, public roads, utilities, adverse claims, etc. which are all are common and typical of similar properties that would have no effect on the property's market value.

Notable Exceptions to the Title for the property being appraised are discussed below:

Exception 18: a reservation by a prior owner (Neighbor) in 1947 for a burial lot or cemetery on the premises for as long as it is used as a cemetery or burial lot to be fenced by Neighbor and reserving to Neighbor the right of ingress and egress to said cemetery and the right of interment for members of the Neighbor family. This pertains to a .38-acre site in the SE4NE4 of Section 29 located along the South Valley Road near the Taft's cabin. There is no market data available that would suggest any effect (either positive or negative) on the subject property's market value due to this exception.

Exception 21: an exception for conditions, restrictions, easements and rights or interests, etc., shown on Certificate of Survey No. 615 as of 11/22/1988. This Certificate of Survey depicts the .38-acre Neighbor/Jones Cemetery that is located on the subject property along with an easement to said cemetery from the South Centennial Road. As stated above, there is no demonstrable market data indicating its effect on the property's market value.

Exception 22: an exception for conditions, restrictions, easements and rights or interests, etc., shown on Certificate of Survey No. 696 as of 12/10/1990. This Certificate of Survey depicts the boundary of the subject property in Section 29 along with the NENE of Section 29 that now belongs to Huntsman Ranch Co. No effect on value.

Exception 23: for the provisions contained in a 7/25/1995 Deed from John Taft to Huntsman Ranch Company when Taft sold adjoining lands to Huntsman. Taft reserved a 60' Right of Way Easement from the South Centennial Road across the NENE Section 29 to the SENE Section 29 that was retained by Taft. This easement provides access to the subject property over the existing roadway leading from the South Centennial Road to the home and buildings on the subject property. Provisions in this deed also reserved the right to construct 2 ponds on the subject property and ditches to convey water to said ponds. This exception provides benefits to the property and would have a positive effect on the property's market value.

Exception 24: is an exception for a Right of First Refusal to purchase the subject property granted by John Taft to Huntsman Ranch Co on 7/25/1995. States that Huntsman shall have the Right of First Refusal to purchase the property in the event of a **bona fide** offer that Taft or his successors may receive at the same price and terms of the **bona fide** offer for 20 years and 11 months after the date of death of

the last to die of either Bill G. or Evan W. Huntsman. Huntsman is granted 30 days upon notification of the offer to accept or reject said right of first refusal. At the time of this writing, it is believed that Evan Huntsman passed away in January 2021 and Bill Huntsman remains alive, so this right of refusal appears to remain in effect. Its effect on the subject property's value will be discussed later within the valuation section of this report.

Exception 25: The property is encumbered by a Deed of Conservation Easement granted to the Montana Land Reliance January 25, 2019 (recorded as Document 292046 in Beaverhead County records) by Melody Ann Taft. The Deed of Conservation Easement dictates the present and future use of the subject property. Its effect on the subject property's value will be discussed later within the valuation section of this report.

The general purpose of the conservation easement is to preserve, protect, enhance, and restore the conservation values of the property forever. The property is not to be developed or used for any purpose other than farming, ranching, and other agricultural uses, hunting, fishing, outfitting, and other recreational uses. The conservation easement is fully illustrated in the Addendum of this appraisal as an Exhibit and specifies the perpetual restrictions of property rights conveyed from the property owner to the Montana Land Reliance. The easement also specifies that the property is dedicated and declared as open space and natural land.

The following uses that are allowed and are considered consistent with the easement are summarized and outlined below.

Permitted Uses and Practices of the Property:

- Livestock; the right to raise and use livestock on the property, but structures for confinement of livestock must be located within the designated building envelope
- Recreational use; the right to use the property for non-commercial recreational activities
- Water resources; right to maintain, enhance and develop water resources on the property for agricultural, fish and wildlife, domestic, and private recreation
- Structure and Building Envelopes; the right to construct, maintain, repair, remodel and to replace the following structures on the property
 - 3 residential dwelling units including the 1 existing dwelling unit and 2 additional dwelling units are allowed on the property
 - Non residential outbuildings including barns, corrals, garages, workshops, sheds are allowed within the designated building envelope
 - The 1 existing and 2 additional dwelling units must be located within the designated 2-acre Building envelope
- Transfer of land; the right to sell, transfer, gift, exchange the subject property as one (1) parcel only
- Timber removal; the right to remove certain trees/timber for non-commercial use – with restrictions
- Fences; the right to construct, maintain, repair fences
- Roads; the right to repair, maintain, and improve existing roads, and in conjunction with the allowable residential rights
- Utilities; the right to install utility services as allowed
- Residence-based business; the right to conduct businesses within the dwelling units – with restrictions

- Interment; the right maintain the existing cemetery within the defined area

The specific uses and practices inconsistent with the easement and prohibited by the conservation easement are outlined below.

Prohibited Uses and Practices of the Property:

- Subdivision; the Property shall be maintained, sold, exchanged, devised, gifted, etc. as one (10) parcel only
- Alteration of the land; no surface alteration of the land is allowed
- Commercial facilities; commercial or industrial facilities are prohibited
- Dumping; dumping or disposal of non-compostable refuse is prohibited
- Construction; construction or placement of any buildings or structures (except as allowed) is prohibited
- Campers, trailers, and recreational vehicles; placing of campers, trailers, and rvs is prohibited except for temporary use
- Billboards; construction, maintenance, or erection of billboards is prohibited
- Roads; construction of roads is prohibited, except as allowed
- Utilities; granting of utility transmission lines and right of way easements is prohibited
- Game, fur, fish farms; raising or confinement for commercial purposes of alternative livestock and game farms is prohibited
- Commercial timber harvest; except as allowed, the harvest of timber for commercial purposes is prohibited
- Farming; farming and cultivation of the property is prohibited

As one can see, the uses of the property specifically prohibited are significant and those uses allowed within the conservation easement are specifically limited by the easement and many of the allowed uses require prior notice and approval by the Montana Land Reliance for the contemplated activity and/or use. For complete details, please refer to the complete Deed of Conservation Easement exhibited in the addenda of this report.

L. Exposure Time

Current appraisal standards require an appraiser to estimate the reasonable exposure time and the normal marketing period for the property being appraised. *Exposure Time* is defined in USPAP 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 the appraisal.” It is a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Exposure time can be different for various types of property and under various market conditions. The overall concept of reasonable exposure encompasses not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable effort. Exposure time is always presumed to occur prior to the effective date of the appraisal but is not intended to be a prediction of a date of sale. Instead, it is an integral part of the analyses conducted during the appraisal process and can be based on one or more of

the following: statistical information about days on the market; information gathered through sales verification; and interview of market participants. It is a function of price, time, and use, not an isolated opinion of time alone.

USPAP AO-7 states that a reasonable *Marketing Period* is “the amount of time it might take to sell a real or personal property interest at the concluded market value or at a benchmark price during the period immediately after the effective date of an appraisal.” Like exposure time, the estimated marketing period can be expressed as a range and can be based on one or more of the following: statistical information about days on the market; information gathered through sales verification; interviews of market participants, and anticipated changes in market conditions. The reasonable marketing period 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.

Analysis of the local and surrounding market area’s sales and listings revealed that the exposure time for similar type properties ranged from about six months to several years. Those properties that were placed on the market at competitive prices based on true market sales (rather than hopeful expectations) experienced strong buyer interest and many have sold within six to twelve months. Those properties placed on the market at values far exceeding true market value (those wanting to “test” the market sometimes referred to as “insincere listings”) were those that struggle and linger on the market for years. Attempts to lower these high listing prices often-times fails to help as these listings become stale or “market-worn” and a stigma of being over-priced follows the property. This report and the concluded market value of the subject property is based on a professional marketing program implemented at a competitive value and a reasonable exposure time of approximately six to twelve months is considered appropriate. Six to twelve months is also deemed reasonable and appropriate for the property’s estimated marketing period.

M. Scope of Work Performed

In preparing the appraisal presented herein, the subject property was inspected and photographed by Kevin T. Pearce on September 8, 2022, in the company of John Taft representing Melody Taft and Mark Bergstrom representing the University of Utah. Please note that on September 8, 2022, the Centennial Valley and southwestern Montana was engulfed by thick smoke that drifted in from wildfires in Idaho and the western United States which limited visibility of the area and prohibited views of the surrounding mountains. Background information on the subject property was gathered from several sources that include Mr. Taft, Mr. Bergstrom, the Montana Land Reliance, our company files, and personnel associated with governmental agencies including the County Assessor, the County Clerk and Recorder, and a 30+ year personal and professional knowledge of Beaverhead County and the surrounding area market.

The immediate and surrounding area was then researched and analyzed to determine sales activity, emerging and historic trends, and any market factors that may be specific to the subject property and the surrounding market area. Information on comparable vacant land and improved property sales and rents was gathered, confirmed, and analyzed. This data was gathered and confirmed with sources familiar to the transaction (such as buyers, sellers, brokers, appraisers, multiple listing services, attorneys, accountants, and/or closing agents) to the best of my ability. Montana is a non-disclosure state where

the sale prices and terms of these transactions are not public information. It is noted herein that it is possible that there may be sales of properties that I may not be aware of or that are not included due to confidentiality reasons. All sales data that the appraiser is aware of is considered for valuation within the appraisal analysis. The confidential market data contained within this appraisal report is not for public dissemination.

The comparable sale properties were analyzed using county records, topographical maps, aerial photographs, Google earth images, etc. and viewed on the ground to the best of my ability. At a minimum, a drive-by inspection/viewing was attempted and/or conducted for all comparable sale properties that possessed public access. Trespass was avoided for those properties that do not possess public access and for those properties, topographical maps, aerial photographs, and/or Google earth images were utilized for sale analysis. For this assignment, all comparable sales utilized for direct comparison were inspected by the appraiser from the sale property's nearest public road.

The sales comparison, cost, and income approaches to value were considered. To develop my opinion of value, I performed a complete appraisal process where I considered all applicable approaches to value and the value conclusion reflects all known information about the subject property, the market conditions, and all pertinent available sales data. This is an **Appraisal Report** as defined by USPAP that is intended to comply with reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP) for an Appraisal Report. As such, it presents a complete and/or summarized discussion of the property features, and the market data, reasoning, and analyses that were used in the appraisal process to develop my opinion of value. Supporting documentation concerning the subject property features, and all data, reasoning, and analyses is contained within my work file. This appraisal is also intended to serve as a Qualified Appraisal pursuant to IRS guidelines for income tax purposes and in a manner consistent with the substance and principles of the Uniform Standards of Professional Appraisal Practice (USPAP). The depth of discussion contained in this report is specific to the need of the client and to the intended use and intended users stated herein. I am not responsible for unauthorized use of this report.

In this assignment, the primary research, analysis, and development of the appraisal was conducted by Kevin Pearce and the appraisal report was written by Kevin Pearce. This appraisal is being conducted during the COVID-19 pandemic and during a war between Russia and Ukraine and their potential effect on market value of the subject will be considered and analyzed within this report.

II. SUBJECT PROPERTY FEATURES

A. General Location

The property being appraised is located in Beaverhead County in extreme southwestern Montana. It is situated approximately 50 air miles south of Dillon in the Centennial Valley. Lakeview, Montana, a small townsite (with a few year-round residents) and headquarters for the Red Rock Lakes Wildlife Refuge, is approximately 8 air miles east of the appraised property. Henry's Lake, Idaho, is located approximately 20 air miles east of Lakeview. West Yellowstone, a seasonal resort town and the west entrance to Yellowstone National Park, is approximately 45 miles east of the subject property. Lima, Montana has about 225 residents and is located about 25 miles west of the subject property.

The southwestern portion of Montana is served by a relatively good system of primary and secondary roads. Dillon serves as the immediate trade center for the area and is situated along Interstate 15, a primary north-south route through the western United States. Butte, Montana's fourth largest city with 33,850 residents, is approximately 65 miles north of Dillon via I-15 and Bozeman (pop. 45,250), the home of Montana State University, is approximately 125 miles northeast of Dillon via Highway 41 and I-90. Idaho Falls, located about 90 miles south of Lima via I-15, is the third largest city in Idaho with 60,200 residents.

Dillon has a community airport, as does West Yellowstone, and Dell, Montana. The nearest commercial air service is available in either Butte, Bozeman, or Idaho Falls. Railroad and passenger bus service is available in Dillon.

B. Area and Community Data

Montana is the fourth largest and one of the most sparsely populated states in the U.S. The state's 2020 population estimate of 1,085,000 residents is spread across 145,388 square miles which projects an average of approximately 7.5 residents per square mile.

Dillon is located along the Beaverhead River and Interstate 15 near its intersections with State Highways 91, 41, and 278. According to the 2020 U.S. Census Estimate, Beaverhead County has a population of 9,525 residents and Dillon, the largest city in Beaverhead County, has a population of approximately 4,200 residents. Dillon is the primary trade center for Beaverhead County and provides all necessary services such as public schools, a modern hospital and medical facilities, professional and technical services, churches, state and county governmental entities, and complete shopping outlets for nearly all consumer goods. Dillon is also home to the University of Montana -Western that has an enrollment of about 1,500 students. The median income for a household in Beaverhead County was \$38,264 and the median income for a family was \$53,036. The per capita income for the county was \$21,110. Expanded services, extensive shopping facilities, commercial air service, and numerous cultural events can be found in Butte, Bozeman, or Idaho Falls.

Dillon's largest employers include Barretts Minerals Inc., Barrett Hospital and HealthCare, and Beaverhead County. Great Harvest Bread Company has its franchising headquarters in Dillon and Patagonia has an outlet in Dillon. Dillon has 31 restaurants, including local businesses such as Papa T's Family Dining, Sparky's Garage, Stageline Pizza, the Lion's Den, 4 B's Restaurant, Sweetwater Coffee, La Fiesta Mexicana, and Mac's Last Cast. The Beaverhead Brewing Company is also in Dillon. Fast food chains with locations in Dillon include McDonalds, Dairy Queen, Subway, Pizza Hut, Taco Johns, and Pita Pit. Chain stores in Dillon are Safeway, Town & Country, Ace Hardware, and Murdoch's Ranch & Home Supply.

The Beaverhead County Museum is in Dillon. Public facilities in Dillon include the Dillon Public Library, Post Office, Barrett's Park, and the YMCA has a location in Dillon. Recreational activities that draw tourism to Dillon include fishing on the Beaverhead River and Clark Canyon Reservoir, snowmobiling, hiking, shopping at the Patagonia outlet, four-wheeling, the annual Demolition Derby, and skiing at Maverick Mountain Ski Area. Bannack State Park is popular with tourists. Dillon is also home to the annual "Montana's Biggest Weekend" event, also known as the Jaycee Labor Day Rodeo, Concert, & Parade.

Lakeview serves as the headquarters for the Red Rock Lakes Wildlife Refuge and the University of Utah Taft-Nicholson Center for Environmental Humanities Education but offers no public goods or services. Lima, a small town with about 240 year-round residents, is situated along Interstate 15 and provides basic services consisting of a post office, restaurant, café, bar, gas station, service garage, small market, motel, churches, and public grade school and high school. Dillon, the county seat of Beaverhead County, serves as the community center for the southwestern portion of Montana and the surrounding area.

As indicated earlier, the property being appraised is situated in the south-central portion of the Centennial Valley in the foothills of the Centennial Mountains. The Centennial Valley (the "Valley") is a high-elevation valley about 50 miles long west to east and about 10 to 15 miles wide north to south. The Centennial Valley is bounded on the south by the Centennial Mountains, on the north by the Blacktail, Gravelly, and Snowcrest Mountain ranges, and on the east by the Henry's Lake Mountains. The "Valley" is home to the 50,000+/- acre U.S. Red Rock Lakes National Wilderness and Wildlife Refuge, the Lima Reservoir, and the Centennial Mountains Wilderness Study Area. The Red Rock River flows generally westerly and drains the Centennial Valley to the Lima Reservoir and then it courses generally northward to the Clark Canyon Reservoir where it becomes the Beaverhead River. The Lima Reservoir is about five miles northwest of the appraised property.

The "Valley" is a mosaic of privately-owned land generally in the valley bottoms interspersed with large blocks of public lands (Refuge, BLM, State, and National Forest) in the foothill and mountain areas. Land use in this area consists of primarily large summer livestock grazing properties ranging in size from about 1,000- to 10,000+ acres. There are a few smaller 100- to 1,000-acre recreational and seasonal rural residential properties scattered about in the Centennial Valley with only a handful of small-tract recreational parcels (< 20 acres) in the Valley being located around Lakeview and about 15 miles northwest of Lakeview in the Long Creek valley.

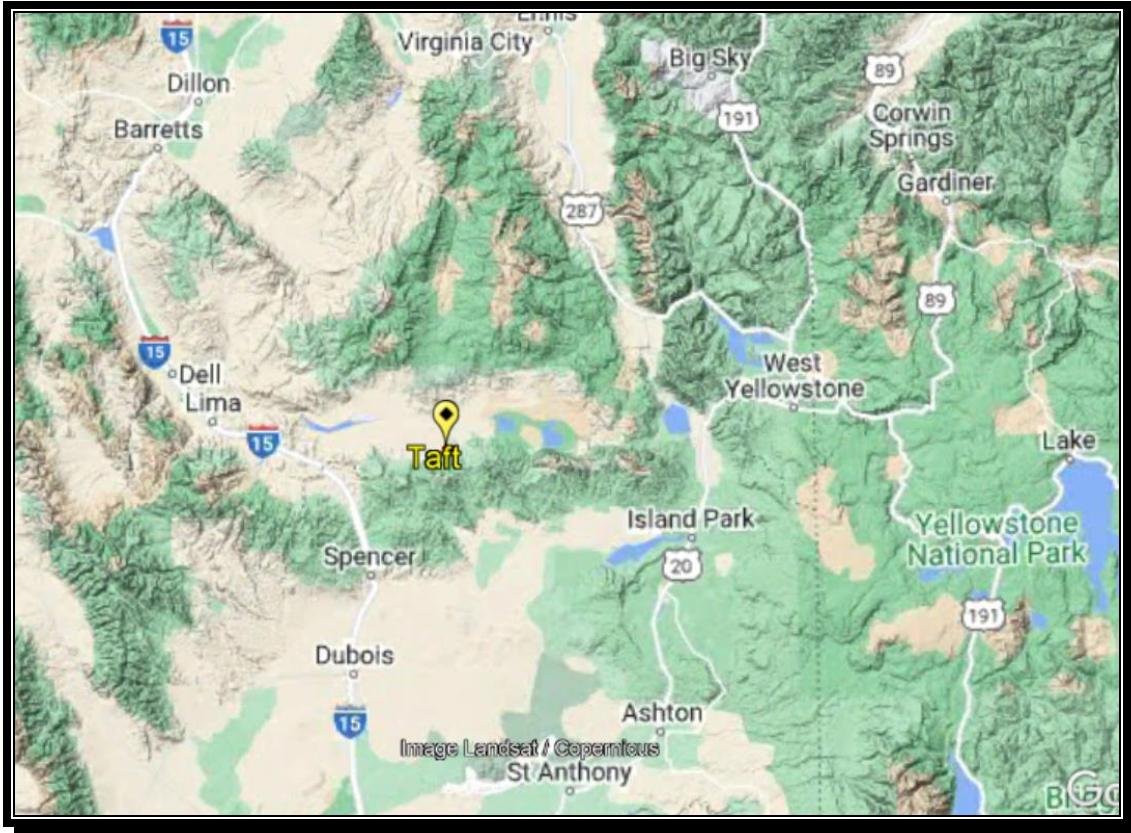
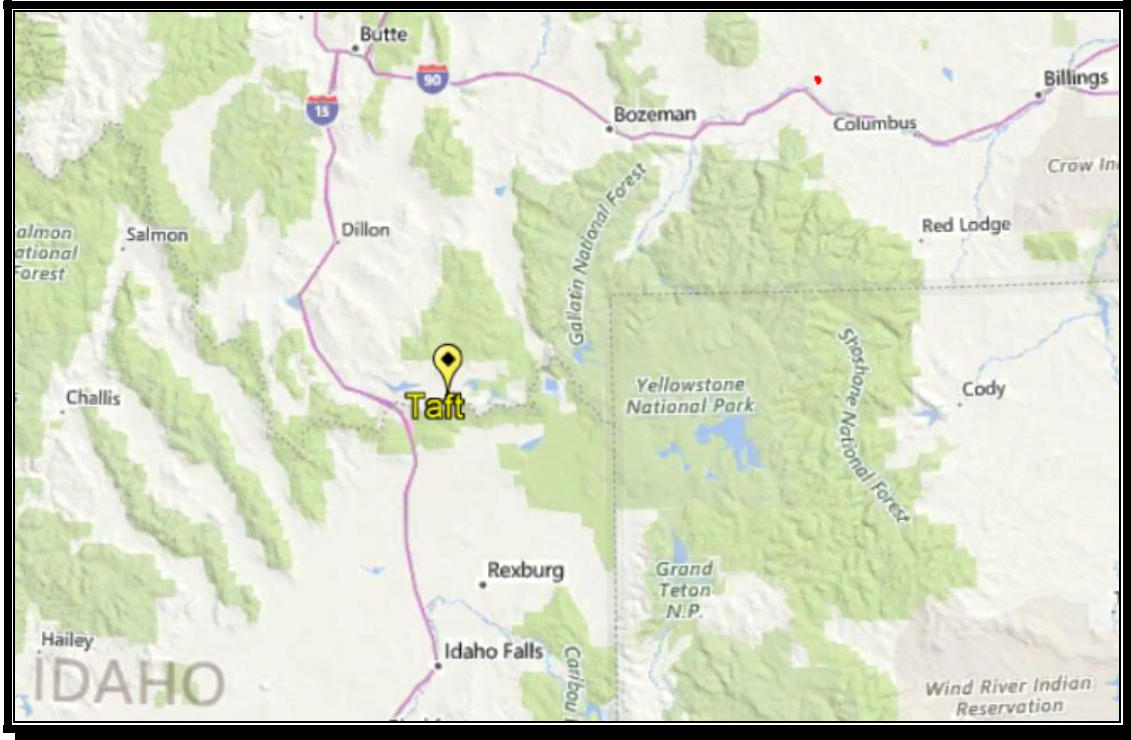


Entering the nearby Red Rock Lakes NWR w/ Centennial Mtns in background



U of Utah Taft-Nicholson Center in Lakeview

Location Maps



The economy of this area historically has been built on the income from agricultural production and agriculture continues to provide the economic base for the area. Beaverhead County is the #1 livestock producing county in the State of Montana, however, the demand across Montana and the western states for property with desirable aesthetics and recreational features has become increasingly strong and a significant amount of land is moving from traditional agricultural uses to various levels of rural residential development and recreationally influenced uses. The immediate area of the Centennial Valley is rather rural and remote and it has escaped the small-tract subdivision and rural residential homesite development that is more prevalent in areas closer to Dillon. This is due most likely to its remote location, the sizable Red Rock Lakes National Wildlife Refuge, and the significant number of large, long-term, family-held ranches and few available small parcels. Another fact of the Centennial Valley is that about ½ of the privately-owned land in the Valley is subject to existing Conservation Easements that limit and restrict future subdivision and residential development.

Of the larger area properties that have changed hands in the last ten years, many are being acquired by local and area agricultural producers who are upgrading and/or adding onto existing ranch and farm operations and by those out-of-area buyers who are seasonal residents that do not hold permanent residency in Montana. They spend various periods of the year in the area and often employ ranch managers, caretakers, and/ or other employees to supervise and operate properties in their absence. Smaller tract properties are in demand being acquired for recreational and seasonal cabin/homesite uses.

In general, the overall mindset of western Montana is changing as recreation and development overtake agriculture, timber, and mining industries. Tourism and recreation dollars now almost equate to the amount of dollars provided to the overall Montana economy from agriculture. As illustrated by recent state statistics, the importance of recreation and tourism continues to increase and soon will outpace agriculture as the state's primary economic activity. As a result, there is an increasing demand on ranches and rural land for uses related to development and recreation and as will be described in this report, the value of rural lands is no longer related to only agricultural uses and income potential. In essence, the economy of the area is becoming tied to its landscape.

Additional information and demographics for the area can be found at www.beaverheadchamber.org, www.dillonmt.org, www.townofwestyellowstone.com, and www.islandparkchamber.org. All comparable sale properties considered for valuation of the subject property are located within this immediate and local market area surrounding the subject property. All sale properties possess similar locational and market conditions as the property being appraised.

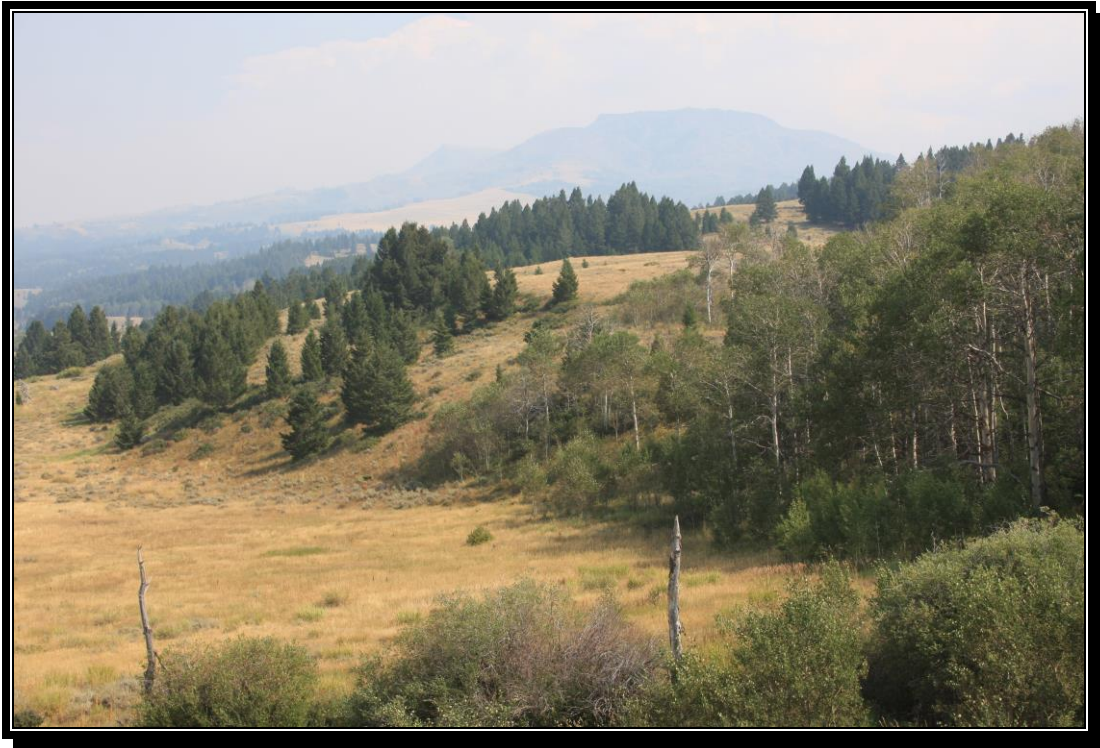


South Valley Road as it courses along the north side of the subject property

C. Site Access

From Dillon, access to the appraised property is gained by traveling south on Interstate Highway 15 for approximately 65 miles to Monida, and then traveling easterly on a gravel and dirt county-maintained road (#509 Monida-Lakeview Road – or South Valley Road) for about for about 16 miles to the beginning of the property. The Taft Property borders the South Valley Road on its northern boundary for about ¼ mile in the subject property’s easterly end. The existing driveway access from the county road to the home/cabin and buildings crosses land owned by Huntsman Ranch for approximately 100 feet upon which there is a 60’ wide right-of-way easement to the subject property.

The Centennial Valley is a rather rural and remote, high-elevation valley and the county roads in the valley from Monida and Henry’s Lake to the appraised property may not be maintained or plowed during the winter. There are occasions that the subject property is not accessible by wheeled vehicle during the winter months due to deep and drifted snow. Access to the property during the typical winter may be limited to snowmobile travel.



Easterly view across subject property – Centennial Mtns in background

D. Subject Property Features

The subject property is located in the central part of the Centennial Valley being about eight air miles west of Lakeview and about 16 miles east of Monida. The Taft Property consists of a total of 160 deeded acres that is situated in a single block of land measuring about 1 mile long east to west by about ¼ mile wide north to south. It is situated along the north slope of the Centennial Mountains. The Centennial Mountains form the southern edge of the Centennial Valley stretching some 40+ miles easterly from near Monida to near Henry’s Lake, ID. The Centennials contain large areas of National Forest, BLM, and BLM Wilderness Study lands that are interspersed with small parcels of privately-owned land. The immediate area is a mosaic of privately-owned land generally in the valley bottoms that adjoin large blocks of public lands (BLM, State, and National Forest) in the foothill and mountain areas. Land use in this area consists of primarily large, summer livestock ranch properties ranging in size from about 1,000- to 10,000+ acres. There are a few smaller 10- to 200-acre recreational and seasonal properties situated about the valley.

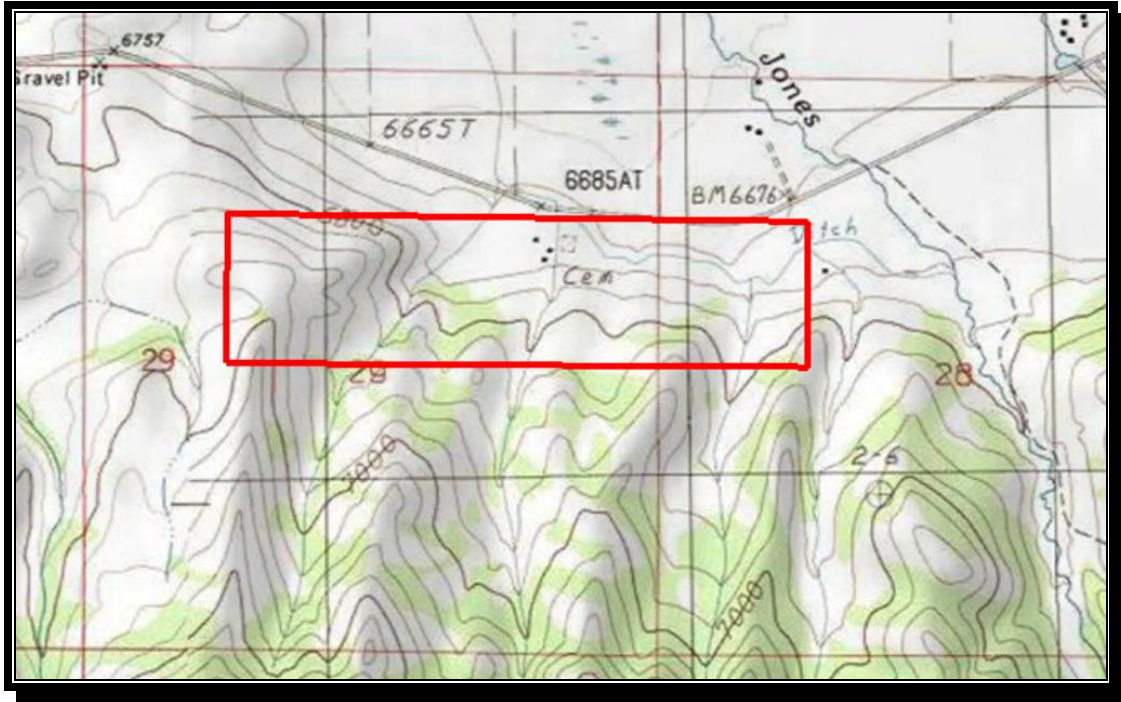


Westerly view of property towards its SW corner



Southerly view across subject towards BLM land

Subject Property Maps



Red Outline = Subject Property; Yellow = BLM Land





Barn and cabin on subject property

The subject property adjoins public BLM lands on its south side for one mile and is bounded by privately owned lands on its northerly, westerly, and easterly sides. The overall terrain and topography of the subject consists of primarily open gently sloping grass and sagebrush pasture land in the northern edge of the property along the county road that rises southerly to a series of small upland bench areas with timbered slopes and wooded/brushy creek bottoms where it joins BLM. Vegetation consists of native grasses, sagebrush, shrubs, aspen and fir trees, and scattered rock outcroppings. Elevation of the property ranges from about 6,600 to 6,900 feet above sea level. The north-facing slopes on the subject property have large aspen groves and patches of timber that provides a very aesthetically pleasing mix of grass, sage and trees.

The Taft Property is structurally improved with an older cabin and barn located near the South Valley Road in the center of the property. The cabin is an original log schoolhouse that was added onto and remodeled over the years. It contains a total of about 1,010 square feet of living space on a single level that contains a kitchen with small dining area, a living room with woodburning stove, a jack/jill bathroom, and two bedrooms. It has wood exterior siding, asphalt shingle roof, on a concrete and stone foundation with a 500+/- square foot covered porch. Average condition with average utility for summer/seasonal use. Occupied occasionally by guests.

Near the cabin is an old post-frame barn that measures approximately 30'x48'. It has log and wood exterior siding, asphalt shingle roof, and partial wood floor. Accompanying the barn are some old corrals. Near the barn is an old 300+/- square foot log shed. Fair to poor condition with limited utility.



Cabin



Kitchen / dining of cabin



Cabin living area



Barn & corrals



Log shed



Westerly view of property from the cabin



Southwesterly view of property



Easterly view of subject into the "Valley"

E. Utilities

Electric, telephone, and fiber-optic services are available along the county road and are installed to the home/cabin. Domestic water is provided by a drilled well and septic services are by private septic system.

F. Current Land Use

The Taft Property is grazed periodically by livestock of nearby landowners during the summer grazing season and the cabin is occupied by the Taft's occasional overnight guests.

G. Recreational Resources

The appraised property has good on-site recreational resources that are related to its size, physical features, location, and proximity to large blocks of BLM and National Forest lands in the Centennial Valley. As noted herein, the Centennial Mountains lie directly south of the Taft Property which allows for direct access to thousands of acres of BLM, National Forest, and Wilderness Study lands

The Centennial Valley and the general surrounding area of southwest Montana provide a wide variety of nearby recreational features that are readily available and usable on a year-round basis. They include all activities related to wildlife, from hunting and fishing to natural observation and photography, as well as outdoor activities such as hiking, biking, camping, rock climbing, hang gliding, horseback riding, downhill and cross-country skiing, golf, and wilderness-type experiences. Motorized activities such as boating, motorcycling, snowmobiling, ATV and four-wheeling are also possible.

As noted the 50,000+/- acre Red Rock Lakes Wilderness Area lies about 7 to 23 miles east of the property and is known for its high concentration of wetlands and migratory birds. The immediate and surrounding area is home to elk, deer, moose, antelope, bear, sage grouse, coyote, wolf, and several smaller game- and non-game animals.

H. Water Resources

There are a series of small, intermittent and seasonal streams and drainages that arise on BLM land south of the property and course northerly across the subject property. Near the home, a small pond has been constructed on one of these streams, however, at the time of my inspection, the stream and pond were dry. When Mr. Taft sold the northerly 240 acres to Huntsman, he reserved the right to construct ponds on these drainages and the right to construct ditches to convey water to the ponds. However, a query and search of Montana Department of Natural Resources and Conservation (DNRC) on-line records, indicated there are no water right claims in name of John or Melody Taft that pertain to the appraised property. There are two drilled wells on the property, that are understood to serve the home/cabin.

I. Mineral Rights

As stated in the assumptions and limiting conditions of this report, no separate value has been assigned for mineral rights. For this assignment, the status of the sub-surface mineral right ownership is unknown. With sales of similar properties in this market area, generally a portion of the existing mineral rights are transferred to the buyer; however, no specific value is usually assigned. Furthermore, in this specific market, land sales consummated without the sub-surface minerals often reflect no measurable difference in value that can be attributed to the mineral rights. For purposes of this report, mineral rights are considered to be a part of the overall real property and no contributive value has been assigned for mineral rights over and above the associated land values.

J. Timber Rights

As discussed, there is some tree and timber cover on the north-facing slopes and southerly end of the property. In most instances, the aspen and fir trees like that on the subject property are considered to have a greater contributive value for their wildlife habitat, livestock shelter, and aesthetic and visual qualities rather than their lumber potential. Like with the mineral and water rights, the trees found on the property are considered to be a part of the overall real property and no contributive value has been assigned for timber rights over and above the associated land value.

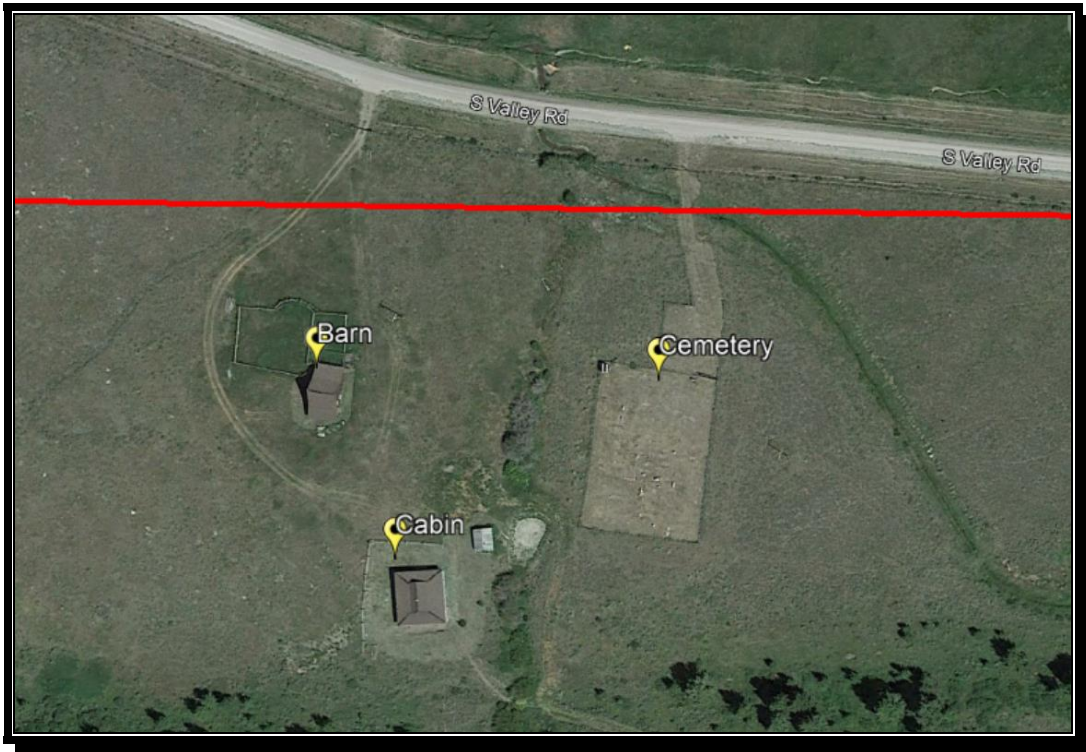
K. Zoning and Real Estate Taxes

The subject property is not specifically zoned and is taxed and classified as agricultural land. Beaverhead County real estate taxes are approximately \$881.72 for the 2021 tax year (taxpayer ID 102126). A copy of the tax statement is placed in the addenda of this report.

L. Easements and Encroachments

Public and/or cooperative utility easements were observed in the area of the subject property and are considered to be common and typical on similar rural properties along with easements and right of ways for irrigation ditches and public roads. The fences observed along the northwest and southerly sides do not appear to be located on the exact property lines but are most likely placed where they are for ease and convenience of maintenance. The conservation easement placed on the subject property burdens the property with extensive perpetual restrictions and obligations to the landowner.

As noted, the Jones Cemetery is located on the subject property near the cabin/home and the South Valley Road. It is an historic cemetery that covers approximately .38 acres and inters about 50 dating from 1900 to 2021. It is fenced separate from the Taft Property and is well-maintained.



Jones Cemetery on the Taft Property

M. Hazards and Detriments

There did not appear to be any visible hazards or detriments associated with the appraised property that are not common or typical with similar properties in the surrounding area.

N. Environmental Factors

I am not an expert in either the detection of hazardous or toxic substances or structural engineering and did not conduct an environmental audit or structural inspection of the subject property. During my routine property inspection, no visible environmental hazards were evident at the time of the inspection other than those that might be noted above in the Hazards and Detriments discussion. The property is being appraised assuming there are no toxic or hazardous substances present or associated with the subject property that would render the property more or less valuable. Should it be discovered that there are toxic or hazardous substances located on the subject property, I reserve the right to re-assess the situation and adjust values if deemed necessary.

III. VALUATION PROCESS

A. Introduction and Outline

The appraisal process is an orderly program whereby the appraisal problem and purpose is defined, the work necessary to solve the problem is outlined, and the pertinent data is acquired, classified, analyzed, and interpreted into an estimate of value.

Generally accepted appraisal procedures follow a typical sequence to estimate market value of any subject property. The sequence is outlined below:

- 1.) Research and analyze the subject property and its corresponding market;
- 2.) Determine Highest and Best Use of the subject property;
- 3.) Select appropriate appraisal method(s) to estimate property value;
- 4.) Apply selected method(s) to the subject property;
- 5.) Correlate and/or reconcile values indicated by the selected method(s) into a final estimate of value;
- 6.) Analyze extraordinary circumstances, if any, of the subject property that may have an effect on the final conclusion of value.

For purposes of this assignment, the appraisal process will follow Steps 1 through 6 to estimate the market value of the subject property.

B. Market Observations

The researched market area is defined herein as being Southwestern Montana in Beaverhead and the adjoining counties with most emphasis placed on those sale properties nearest to the subject possessing the most similar size, location, and physical features. Overall, this portion of Montana has been a relatively strong market area because of its rivers, creeks, mountains, and productive agricultural lands.

Market data has shown that this strong demand increased in terms of both market appreciation and a greater number of sales from the late 1990's through 2007. In 2008, with the economic "slowdown" and/or "crash" of the U.S. economy and stagnant or falling residential real estate markets of the east and west coasts and in the larger metropolitan areas, the demand for agricultural and recreational properties like the subject in southwestern Montana declined as well. Within the local market area, during the 2008-2010 time period, sales of small-tract, and recreationally oriented residential properties to outside buyers were relatively scarce due to the lack of, or more limited, discretionary funds. Sales of the specific recreational or non-essential/luxury, second-home type properties occurred only when the buyers believed they were purchasing at a price they consider either a real "deal" or as a "steal". Sales of agricultural properties also stalled during this time and sales of larger properties targeted for use as small-tract subdivision and rural residential development were nearly nonexistent as the demand for such development property evaporated and there was a significant inventory of small tract properties on the market.

Beginning in 2011-2012 and carrying through the current market, the rural real estate market in southwestern Montana appears to have rebounded with increased demand for agricultural and recreational properties and a greater number of sales occurring across the board. Of the sales occurring since 2010 many have been properties with a strong agricultural resource that are being purchased by adjoining landowners as economical add-on units or by those agricultural operators with a strong and solid financial base. Demand for recreational properties has also increased and in many areas the supply of available properties is becoming more limited. There are some sale indicators from the area that would indicate a declining real estate market since 2008; however, this data must be examined closely. Sale and re-sales of certain properties and paired sales for time trend analysis indicate that the overall real estate market in western Montana peaked during the 2006-2008 time period, and subsequently, the market softened and values in some cases declined. Sales data maintained by New Frontier Ranches shows that sales of recreational properties in this area and similar market areas that were purchased during 2006-08 and reselling in 2010-12 reflect annual depreciation rates of about -2% to -7%.

For most properties that were acquired prior to the peak years or that have been held for more than ten years, market data suggests appreciating values over the longer term. Values of strong agriculturally based properties have been holding steady with some indications of growth during this time period most likely due to strong commodity markets. Over the past 36+ months there have been sales of recreational properties occurring that indicates a strong recreational and agricultural property market. The time trend sales data maintained by New Frontier Ranches for properties selling in today's market indicates a solid market and one of appreciation as suggested by current sale – resale pairings. For properties selling in 2013-22 that were acquired prior to 2006, or after 2010-12, the sale/resale pairings suggest annual appreciation rates in the 2% to 12% range per year. It appears that the high quality agricultural

and recreational properties had been selling at values commensurate with the values exhibited during the peak years of 2006-2008 and in some instances slightly above.

As of this writing (September 2022), there has been a world-wide pandemic due to Coronavirus 19 (COVID-19) that surfaced publicly in the U.S. around March 1, 2020, and a national State of Emergency was declared by then-President Trump on March 15, 2020. World and U.S. financial markets dropped in massive amounts, schools and many businesses closed nationwide. International and domestic travel was limited. State and national “social distancing”, “shelter-in-place”, and “stay-at-home” measures forced residents to teleconferencing and online business and schooling. Mask mandates were instituted, and U.S. government sponsored support programs and stimulus checks were provided to US citizens. As of this writing, nearly all the state and national COVID-19 restrictions have been revoked.

In the early stages of the COVID-19 outbreak, many expected the impacts of COVID-19 to mirror the market actions of the 2008-10 economic and real estate “crash” with reduced demand, limited sales activity, and falling real estate values, however, COVID-19 has effectively caused the opposite to occur. The national and local real estate markets have adapted to newly accepted protocol and prospective buyers are actively seeking out and investing in quality rural properties through traditional, and non-traditional means where they can relocate to more rural areas where they can “work from home”, “self-quarantine”, and “social distance” themselves while maintaining a solid physical asset investment and rural lifestyle.

In late February 2022, Russia began a military invasion of Ukraine in a major escalation of the Russia-Ukraine conflict that Russia launched in 2014. This event has been felt world-wide and has heightened US and ally military readiness and created another sense of uncertainty which has caused world-wide supply chain issues that have led to increased prices of fuel and other goods and services. To date, however, real estate brokers report a continued surge in buyer inquires and a strong demand for rural real estate across Montana. Local, regional, and national real estate agents report a current shortage of available inventory and when coupled with the strong demand it has led to increased listing and sale prices. Closed sale data of all types of Montana real estate (rural residential, recreational, and ranch properties) reflect solid appreciating values with no indication of a negative effect on real estate value due to COVID-19 or the Russian-Ukraine war.

As discussed, the local and surrounding land and ranch market has been appreciating over the previous 3-5 years at rates from about 2% to 12% per year. The sale/resale and market trend indicators representative of the market area are illustrated in the addenda of this report and reflect an overall average appreciation of 7.53% per year. Of these 18 pairing indicators, the ten most recent pairings average 8.02% per year. Therefore, those sale indicators that occurred more than one year prior to the date of valuation will be adjusted upwards at 8.0% per year to account for date of sale and market appreciation. Those sales that occurred within one year of the date of valuation are deemed current indicators of market value and no adjustments were applied for time or market appreciation or depreciation. The market data sale pairings utilized for time and market conditions in this assignment are placed in the addenda of this report.

Analysis of the local and surrounding market area’s sales and listings revealed that the exposure time for similar type properties ranged from about six months to several years. According to USPAP SMT-6, ***Exposure Time*** can 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 the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.”

Exposure time can be different for various types of property and under various market conditions. The overall concept of reasonable exposure encompasses not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable effort. Exposure time is always presumed to occur prior to the effective date of the appraisal but is not intended to be a prediction of a date of sale. Instead it is an integral part of the analyses conducted during the appraisal process and can be based on one or more of the following: statistical information about days on the market; information gathered through sales verification; and interview of market participants. It is a function of price, time, and use, not an isolated opinion of time alone.

Analysis of the local and surrounding market area’s sales and listings revealed that the market exposure time for similar type properties ranged from about six months to several years. Those properties that were placed on the market at competitive prices based on true market sales (rather than hopeful expectations) experienced strong buyer interest and many have sold within six to twelve months. Those properties placed on the market at values far exceeding true market value (those wanting to “test” the market sometimes referred to as “insincere listings”) were those that struggle and linger on the market for years. Attempts to lower these high listing prices often-times fails to help as these listings become stale or “market-worn” and a stigma of being over-priced follows the property. As of the date of valuation, the demand for ranch, recreational, and residential properties (both vacant and structurally improved) was strong and there was a relatively limited supply of properties like the subject available for sale. The concluded market value of the subject property is based on a professional marketing program with adequate market exposure implemented at a competitive value and a reasonable exposure time of approximately six to twelve months is considered appropriate. Six to twelve months is also deemed appropriate for its marketing period

The above market conditions discussed above for the immediate market area are consistent with and ring true for unencumbered and Conservation Easement-encumbered properties alike. In general, if the easement-encumbered property possesses an existing building envelope(s) or retains the right to subdivide or construct a new dwelling and associated buildings on the property, those properties typically compete and sell at, or near, par with similar unencumbered properties. If the easement-encumbered property is priced competitively in the market it will exhibit a similar marketing period.

As noted, the demand for ranch, recreational, and residential properties (both vacant and structurally improved) is strong and currently there is a relatively limited supply of properties like the subject available for sale. The property being appraised is an attractive mountainous property with good recreational features located in a desirable area. If it were available on the open market at a competitive price, it would attract significant buyer attention from both local and out-of-state ranch and recreational property buyers. The most likely buyers for the subject property would be those seeking rural properties with good water resources, recreational features, and aesthetic amenities for use as an investment, “second home”, or recreational ranch with the ability to “work from home”. The reader is cautioned and reminded that the conclusions presented in this appraisal report apply only as of the effective date indicated. The appraiser makes no representation as to the effect on the subject property of any unforeseen event subsequent to the effective date of the appraisal.

C. Highest and Best Use

The market value of a property is estimated according to its Highest and Best Use. In determining highest and best use, a complete analysis of the area surrounding an appraised property should be made to ascertain market trends and demands. Consideration of established uses in the area and the features of the subject must also be analyzed.

Highest and Best Use is defined with The Dictionary of Real Estate Appraisal, Third Edition as:

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

The analysis of highest and best use begins with the discovery of what uses are *legally permissible*. Are there laws, covenants or zoning that prevent certain uses of the subject property? Of those legally permissible uses, which uses are *physically possible*? Of those legally permissible and physically possible uses, which uses are *financially feasible*? Do the anticipated returns outweigh the anticipated costs? Finally, of the uses shown to be legally permissible, physically possible and financially feasible, which use will generate the greatest net return or prove to be *maximally productive*? That use which satisfies these four criteria is considered to be the appraised property’s Highest and Best Use.

In determining highest and best use, proper appraisal theory states that one must also consider the property under two separate scenarios; the highest and best use of the property as though it were vacant and the highest and best use of the property as it is structurally improved. As discussed herein, the subject property is structurally improved with a modest seasonal home/cabin and an old barn structure.

HIGHEST AND BEST USE As if Vacant and Unimproved

Legally Permissible Uses: The appraised property is not subject to any county zoning, but it is encumbered by a Deed of Conservation Easement that dictates the current and future allowed use of the subject property. The property is encumbered by a Deed of Conservation Easement granted to the Montana Land Reliance January 25, 2019 (recorded as Document 292046 in Beaverhead County records) by Melody Ann Taft. This is a perpetual easement that covers the entire Taft Property and is binding upon all present and future owners of the property. Thus, the property interest appraised herein shall be the surface fee ownership subject to the terms of the existing Conservation Easement.

The general purpose of the conservation easement is to preserve, protect, enhance, and restore the conservation values of the property forever. The property is not to be developed or used for any purpose other than farming, ranching, and other agricultural uses, hunting, fishing, outfitting, and other recreational uses. The conservation easement is fully illustrated in the Addendum of this appraisal as an Exhibit and specifies the perpetual restrictions of property rights conveyed from the property owner to

the Montana Land Reliance. The easement also specifies that the property is dedicated and declared as open space and natural land.

The following uses that are allowed and are considered consistent with the easement are summarized and outlined below.

Permitted Uses and Practices of the Property:

- Livestock; the right to raise and use livestock on the property, but structures for confinement of livestock must be located with the designated building envelope
- Recreational use; the right to use the property for non-commercial recreational activities
- Water resources; right to maintain, enhance and develop water resources on the property for agricultural, fish and wildlife, domestic, and private recreation
- Structure and Building Envelopes; the right to construct, maintain, repair, remodel and to replace the following structures on the property
 - 3 residential dwelling units including the 1 existing dwelling unit and 2 additional dwelling units are allowed on the property
 - Non residential outbuildings including barns, corrals, garages, workshops, sheds are allowed within the designated building envelope
 - The 1 existing and 2 additional dwelling units must be located within the designated 2-acre Building envelope
- Transfer of land; the right to sell, transfer, gift, exchange the subject property as one (1) parcel only
- Timber removal; the right to remove certain trees/timber for non-commercial use – with restrictions
- Fences; the right to construct, maintain, repair fences
- Roads; the right to repair, maintain, and improve existing roads, and in conjunction with the allowable residential rights
- Utilities; the right to install utility services as allowed
- Residence-based business; the right to conduct businesses within the dwelling units – with restrictions
- Interment; the right maintain the existing cemetery within the defined area

The specific uses and practices inconsistent with the easement and prohibited by the conservation easement are outlined below.

Prohibited Uses and Practices of the Property:

- Subdivision; the Property shall be maintained, sold, exchanged, devised, gifted, etc. as one (10) parcel only
- Alteration of the land: no surface alteration of the land is allowed
- Commercial facilities; commercial or industrial facilities are prohibited
- Dumping; dumping or disposal of non-compostable refuse is prohibited
- Construction; construction or placement of any buildings or structures (except as allowed) is prohibited

- Campers, trailers, and recreational vehicles; placing of campers, trailers, and rvs is prohibited except for temporary use
- Billboards; construction, maintenance, or erection of billboards is prohibited
- Roads; construction of roads is prohibited, except as allowed
- Utilities; granting of utility transmission lines and right of way easements is prohibited
- Game, fur, fish farms; raising or confinement for commercial purposes of alternative livestock and game farms is prohibited
- Commercial timber harvest; except as allowed, the harvest of timber for commercial purposes is prohibited
- Farming; farming and cultivation of the property is prohibited

As one can see, the uses of the property specifically prohibited are significant and those uses allowed within the conservation easement are specifically limited by the easement and many of the allowed uses require prior notice and approval by the Montana Land Reliance for the contemplated activity and/or use. For complete details, please refer to the complete Deed of Conservation Easement exhibited in the addenda of this report. For the subject property, the legally permissible uses are dictated by the Deed of Conservation Easement which basically allows for the continued agricultural and recreational uses of the property together with some limited residential construction uses discussed herein. Residential construction and development on the subject property is limited to the maintenance, repair, and replacement of the existing residence now on the property and two new residences within a designated 2-acre building envelope. Subdivision and transfer of the land is dictated by the conservation easement which states that the division, subdivision, or de facto subdivision of the property is prohibited, and the property must sell/transfer as one single parcel of land.

Physically Possible Uses: The legally permissive uses of the property are thus narrowed to agriculture, recreation, investment, open space, and the limited residential uses in accordance with the conservation easement. All the legally permissive uses are generally physically possible on the appraised property as there are no physical limitations to certain areas of the property that would prohibit any of the legally possible uses.

Financially Feasible Uses: Of the legally permissible and physically possible uses outlined above, the strictly agricultural use would not be financially feasible. My research of the surrounding market area revealed that values paid for similar properties in the immediate and surrounding area far exceed the value that could be sustained solely by agriculture. The financial feasibility of owning a rural and recreational/investment property over a certain holding period, in order to realize appreciation and return on investment, is relatively good. In actuality, in an appreciating investment such as that found in the area of the subject, a single defined highest and best use for a property aside from investment and anticipation of future use may not be apparent based on the sales price paid for the property. Often, any of the physical uses capable on the property at the time of purchase, such as subdivision, development, agricultural, and open space uses, do not in and of themselves warrant the required economic investment to purchase and hold the property on an individual basis but typically the motivation and use is some combination of those stated uses. This is a common trend in rural recreational land markets throughout the west, and is explained by the fact that participants in these markets are buying similar properties with a strong desire for personal and recreational use with the anticipation of long-term appreciation and value growth.

Maximally Productive Use: A review and study of the area surrounding the appraised property revealed that the primary uses of similar ranch and recreational properties are for personal residential and recreational uses along with the interim agricultural uses typically being livestock grazing. To summarize, the historic agricultural use of many of these properties is most often viewed as secondary to the recreational or rural residential features. As is the case in many areas of Montana, the land use of these rural properties continues to be used for agricultural purposes even when values required to purchase lands for this use exceed the agricultural income producing capacities of the land. It is apparent that although these properties can and do remain in agricultural use, the income potential and capability of these properties is often viewed as secondary to their recreational features. The agricultural operation of the property represents only a decision of management and caretaking of the land. Several of the comparable sales remain in agricultural production without the property having to sustain itself from only agricultural income.

Subdivision and future residential uses of the subject property are limited by the conservation easement which states that the property may not be divided and the easement allows for only the existing seasonal home/cabin and two additional new homes that must be situated within one 2-acre designated building-envelope on the entire 160-acre property. The maximally productive use, or that use which generates the greatest overall return, appears to be a combination of the above uses that is termed a **Recreational / Residential / Investment Use** that conforms with the Deed of Conservation Easement. Therefore, I conclude that as of September 8, 2022, the **Highest and Best Use** of the Taft Property **as if vacant** is an **Recreational / Residential / Investment Use** as discussed herein.

HIGHEST AND BEST USE As is Structurally Improved

For this analysis, the four tests described earlier were conducted and the highest and best use of the property as if vacant was determined to be a recreational agricultural / investment use. Now the test for contributive value of the structural improvements is made. As discussed, the subject property is structurally improved with a modest home / cabin in average condition and an old barn and shed that are in fair to poor condition. The buildings exhibit some physical depreciation, but they do not inhibit the property's highest and best use when considering the property vacant and as evidenced by the sales data, they do provide contributive value over and above the vacant land value.

Therefore, I conclude that as of September 8, 2022, the **Highest and Best Use** of the Taft Property is a structurally improved, **Recreational / Residential / Investment Use**. Regardless of the specific highest and best use nomenclature or terminology used, all the sale properties considered herein as comparables have, like the subject, similar inherent agricultural, residential, recreational, development, and investment characteristics which are part of the overall valuation associated with the property.

D. Approaches to Value – Definitions

There are three traditional approaches to value: the income or earnings approach, the cost approach and the sales comparison approach. A brief discussion of the approaches is followed by an analysis of the appropriateness of the approaches for the subject property.

The **Sales Comparison Approach** indicates the value of a property from a direct comparison of the subject property to sales of similar properties on a single, overall unit of measure. In applying this approach, the appraiser employs the principle of substitution: a prudent buyer is assumed to not be willing to pay more for a property than it would cost him or her to buy another property with equally desirable characteristics. Conversely, a seller will sell his property for no less than what similar properties are selling for. Several “units of measure” such as square footage, acres, and animal units emerge when using this method depending on the type of property being appraised.

The **Cost Approach** employs the principle of contribution and is an estimation of the value of the property as if vacant, then adding the current costs of reproducing the improvements, less all forms of current depreciation. Vacant land sales are the most persuasive indicators of land value and individual, component values are assigned to each type and class of land as derived from the current market. Building residual values reflect the rates of contribution and depreciation applicable to improvements in a given market. Reproduction cost values used in this analysis are derived from the Marshall and Swift Valuation Service. These published costs are periodically checked against actual local construction costs for accuracy. Physical depreciation of the improvements is based on the age-life method for incurable items. Depreciation for curable items is based on estimates of the cost to cure such curable items. Land valuation is derived from a component analysis of the selected market data where individual component values are assigned to each type and class of land as derived from the market. Values assigned are based on market data of pure, one-component sales and suggested trends and ratios between the land classes.

The **Income Approach** in rural appraisals is based on the principle of anticipation and is a value indication of a property based on its anticipated ability to generate income. This method is employed by processing the anticipated net income of the subject property with a capitalization rate determined from the market. The division of the comparable sale property’s net income by its sale price will yield a capitalization rate that is reflective of the overall rate of return for that specific property. This analysis of the comparable sales will provide a range of value of the rates of return that are occurring in the present market. From this range, a probable rate of return can then be applied to the subject property’s estimated net income to predict a probable market value. The reader should realize that these cap rates and rates of return may appear to be low as compared to alternative investments; however, it appears to be acceptable due to the anticipated appreciation in land values and tax advantages from depreciation of improvements. It also indicates that buyers are investing in agricultural lands without expecting them to cash flow.

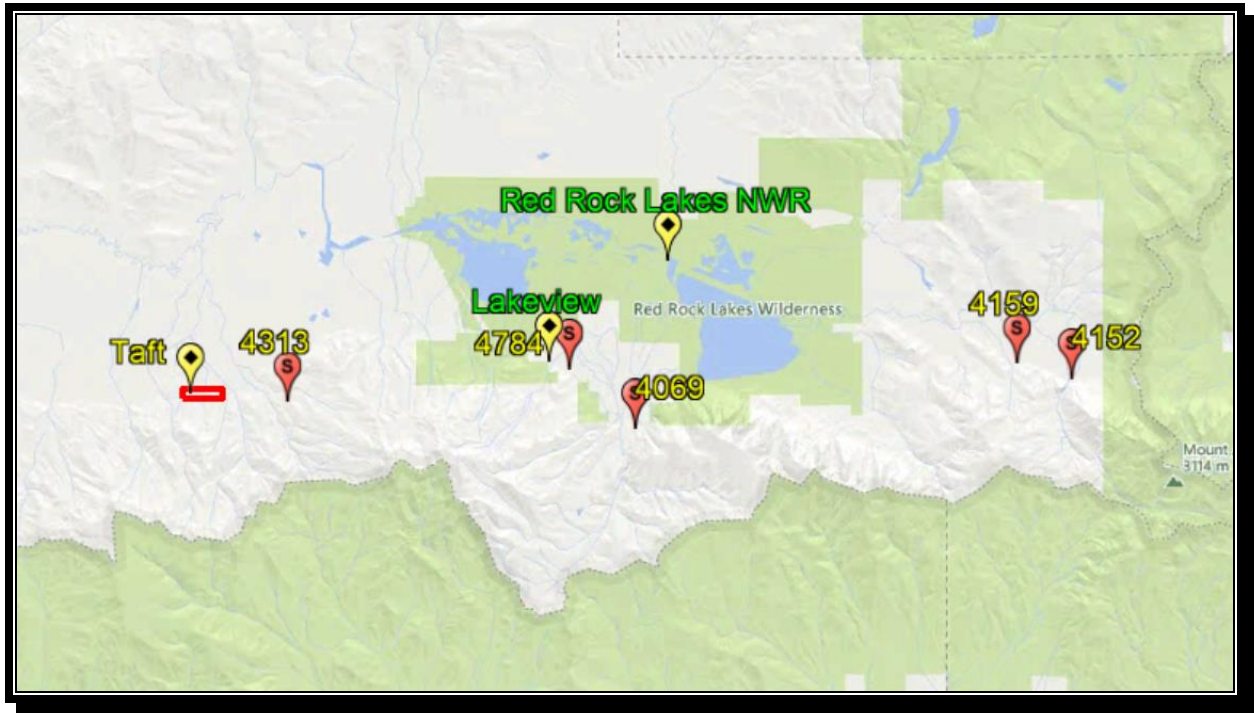
E. Appraisal Approach(s)

There are three primary methods of estimating a property's market value; the income approach, the cost approach, and the sales comparison approach. The income approach is typically employed when estimating market value of income producing properties such as larger agricultural units and/or commercial properties. When researching this market and interviewing market participants, it is apparent that the income resource of similar properties is a secondary (at best) consideration and the land is commonly viewed for residential or investment and appreciation rather than its immediate income potential since many times these ranch properties are operated at reduced levels of carrying capacity in order to enhance the wildlife and recreational features of the property. These factors complicate the application of the income approach and lead me to conclude it is of limited use in this assignment and thus is not incorporated herein. The cost is typically used when appraising structurally improved properties with large/new buildings and those with differing land classes. As indicated, the subject property consists of one primary land class and is improved with an old, modest, seasonal cabin and an old barn that contribute minimally to the property. Thus, the cost approach will not be utilized in this assignment. The sales comparison approach is deemed the most applicable method of estimating value and is employed in the following pages of this appraisal.

F. Sales Comparison Approach

The Sales Comparison Approach estimates the value of a property by a direct comparison of the subject property to sales of similar properties on a single, overall unit of measure. In applying this approach, the appraiser employs the principle of substitution: a prudent buyer is assumed to not be willing to pay more for a property than it would cost him or her to buy another property with equally desirable characteristics. Conversely, a seller will sell his property for no less than what similar properties are selling for. Several "units of measure" such as square footage, acres, and animal units emerge when using this method depending on the type of property being appraised. For this assignment, my market research suggests that the most applicable comparative measure of value is the overall sale price per deeded acre. This unit of measure is derived at by dividing the total unimproved sale price by the total number of deeded acres in the comparable sale property.

As discussed earlier, the overall researched market area was deemed to be southwestern Montana with a focus on Beaverhead County and its adjoining counties in Montana (Madison, Deer Lodge, Gallatin) and Idaho (Fremont & Clark). More than 50 sales occurring since 2014 were reviewed and screened for comparison to the subject property. The area around the Centennial Valley is rather tightly held with sales like the subject property occurring infrequently. Of the 50+ sales screened and reviewed, there were 14 sale properties considered most similar to the subject property that are outlined in the chart below.



Centennial Valley Comparable Sales

MARKET DATA

Time – adjusted Sales

Sale	Date	NFR Sale ID	Size-acres	Unimproved Land		Comment
				Sale Price	\$ / acre	
#1	8/22	5477	317		\$3,787	
2	9/21	5199	155		4,197	
3	8/21	5384	448		6,250	
4	7/21	5354	199		8,648	
5	2/21	5114	139		2,262	
6	2/21	5077	334		3,764	Cons Easement
7	11/20	5070	120		3,206	
8	8/19	4784	58		6,145	Centennial Valley
9	7/19	4760	724		4,764	Cons Easement
10	11/17	4313	1,436		5,430	Centennial Valley
11	4/17	4152	296		13,150	CE – Centennial Valley
12	4/17	4159	400		9,244	CE – Centennial Valley
13	3/17	4515	157		3,352	Cons Easement
14	12/16	4069	188		8,762	CE – Centennial Valley
			Ave	355	\$5,950	

The 14 sale indicators shown above are those deemed most similar to the subject in terms of size, physical features, proximity to the subject, and market appeal. These 14 sales range in size from 58 to 1,434 acres and reflect time-adjusted sale prices ranging from \$2,262 to \$13,150 per acre with the overall average price calculated at \$5,950 per acre. If one were to disregard the highest (\$13,510/ acre) and lowest (\$2,262 / acre) sale indicators as being outliers not representative of the general market, the range in sale price is narrowed to \$3,206 to \$9,244 per acre with the average of the 12 sales then calculated at \$5,628 per acre.

The sale properties illustrated above are a mixture of properties encumbered by existing conservation easements and properties without conservation easements. Those 6 sale properties encumbered by conservation easement reflect unimproved sale prices of \$3,342 to \$13,510 per acre with their average at \$7,231 per acre which is higher than the average of the overall dataset. The conservation easements on these six properties are similar to that of the subject property as they generally allow continued agricultural and recreational uses but prohibit further subdivision and allow only limited residential use. This data, along with additional conservation easement data maintained by New Frontier Ranches, suggests that if a conservation easement-encumbered property sells with the existing right to divide the property and/or the right to one or more residential dwellings on the property, that property does not reflect any significant discount, or diminution, in value and will generally sell at, or near, par with similar unencumbered properties.

Of the 14 sales, 5 sale properties are from the immediate Centennial Valley reflecting time-adjusted unimproved sale prices of \$5,430 to \$13,510 per acre (average \$8,618 /acre). Disregarding the high indicator (Sale 4152) results in an average price of \$7,395 per acre, which again, is higher than the overall dataset. The Centennial Valley is a rather tightly held, high amenity area with relatively few properties ever becoming available on the open market which results in sale prices commonly equal to, or higher than surrounding areas. Three of the five Centennial Valley sales are encumbered by conservation easements which suggests that the conservation easements on these properties did not have any measurable effect on value.

A further analysis of the 14 sale indicators led me to the selection of 7 sale properties that are deemed most representative of the subject property and the current local market with 5 of the 7 properties (Sales 5077, 4760, 4159, 4515, and 4069) being encumbered by conservation easements like the subject. Although Sale 4152 is located in the Centennial Valley it was determined to be an outlier not supported by the overall market and will not be analyzed further.

MARKET DATA – Taft Property

Sale		#2	#6	#9	#10	#12	#13	#14
NFR Sale ID	Subject	5199	5077	4760	4313	4159	4515	4069
Sale Date		9/22	9/21	2/21	7/19	11/17	4/17	3/17
Size (ac)		160	155	334	724	1,436	400	157
Building contribution	\$45,000	0	0	0	\$1,730,000	\$600,000	\$30,000	\$470,000
Personal property	0	0	0	0	0	\$200,000	0	0
Overall Sale Price per acre:		\$3,787	\$4,197	\$4,008	\$5,205	\$8,500	\$2,542	\$8,511

Comparability Factors / Features Adjustments (\$ per acre):

Rights conveyed	-	-	-	-	-	-	-	-
Financing / terms	-	-	-	-	-	-	-	-
Conditions of sale	-	-	-	-	-	-	-	-
Time	-	+199	+756	+1,860	+3,588	+1,097	+3,918	
Building contribution	+290	+135	+62	-1,173	-1,387	+95	-2,260	
Personal property contribution	-	-	-	-	-500	-	-	
Adjusted value:		\$4,077	\$4,531	\$4,826	\$5,892	\$10,201	\$3,734	\$10,169

Comparability of Features:

Location	E	E	E	E	E	E	E
Size	E	E	Inf	Inf+	E	E	E
Access	E	E	E	E	E	E	E
Land mix / productivity	E	E	E	E	E	E	E
Water resources	E	E	E	Sup	Sup	E	Sup
Amenities / aesthetics	Inf	E	Sup	E	Sup	Inf	Sup
Cons Easement terms	Sup	E	E	Sup	E	E	E

Overall Comparability to the Subject Property:

E
E
E
E
Sup
Inf
Sup

Sup = Superior

Inf = Inferior

E = Equal or Similar

The sales illustrated above reflect a value range from \$4,077 to \$10,201 per acre for the subject property after quantitative adjustments were made to the sales in order to make them appear to be as similar to the subject property as possible. For those factors or features where no adjustment was made, these items are considered to be equal or similar overall to those of the subject property. In this assignment, the only adjustments that could be measured on a distinct dollar-per-acre basis were for the differences in time/date of sale and contribution of buildings and leased grazing rights between the subject and the respective sales.

Pairing and analyzing the above sales data for factors and features such as location, size, access, water, and amenities did not reveal any specific dollar-per-acre differences that could be attributed to any single factor or feature. This analysis and pairing did, however; reveal that a general comparative analysis could be made on an overall basis of comparison with ratings being: similar or equal, superior, and inferior. The comparability factors and features analyzed herein are discussed below.

When considering the above factors and features of each sale property in relation to those of the subject property, it revealed an overall comparability of the sales to the appraised property as shown below.

NFR Sale #	Adj Price / acre	Overall Comparability
Sale 5199	\$4,077	Equal or Similar
Sale 5077	\$4,531	Equal or Similar
Sale 4760	\$4,826	Equal or Similar
Sale 4313	\$5,892	Equal or Similar
Sale 4159	\$10,201	Superior
Sale 4515	\$3,734	Inferior
Sale 4069	\$10,169	Superior

A ranking or bracketing of the sales data shows the following:

<u>Inferior Sales</u>	<u>Similar Sales</u>	<u>Superior Sales</u>
\$3,734	\$4,077	\$10,169
	\$4,526	\$10,201
	\$4,531	
	\$5,892	

Summary and Conclusion: After the appropriate adjustments were applied and the comparability factors considered, bracketing the sales data indicates that the value of the subject property should fall between \$4,077 and \$5,892 per acre. Of the four similar sale indicators, Sale 4313 is deemed most similar in terms of location, physical features, and market appeal as it nearly adjoins the subject property as it is only about ½ mile east of the subject property in the Centennial Valley. When considering all four Similar Sale indicators, with most weight given to Sale 4313 (\$5,892 per acre) I believe that the sales comparison approach as applied herein suggests a value conclusion of \$5,800 per acre for the Taft Property. This results in a value of \$928,000.00 for the appraised property as shown below.

$$160 \text{ deeded acres @ } \$5,800 / \text{acre} = \$928,000.00$$

G. Jones Cemetery

As discussed herein, there is a small cemetery located on the subject property. Identified as the Jones Cemetery, it is located along the South Valley Road in NESE Section 29 near the Taft cabin. It covers .38 acres and includes a right of way easement from the South Valley Road across the Taft Property to the cemetery. Research into this suggested that cemeteries like the Jones Cemetery are commonly found in rural areas like the subject. While it occupies a small amount of land owned by Taft, there is no empirical market data available to suggest that it would negatively impact the value of the Taft Property.

H. Right of First Refusal

As noted earlier, the Taft Property is subject to a Right of First Refusal to purchase the subject property granted by John Taft to Huntsman Ranch Co on 7/25/1995. It states that Huntsman shall have the Right of First Refusal to purchase the property in the event of a **bona fide** offer that Taft or his successors may receive at the same price and terms of the **bona fide** offer for a period of 20 years and 11 months after the date of death of the last to die of either Bill G. or Evan W. Huntsman. Huntsman is then granted 30 days upon notification of the offer to accept or reject said right of first refusal. For full details, please refer to a copy of Document 222605 recorded in Book 280, Pages 436-439 that is placed in the Addenda of this report. At the time of this writing, it is believed that Evan Huntsman passed away in January 2021 and Bill Huntsman remains alive, so this right of refusal appears to remain in effect.

The Right of First Refusal creates a cloud on a property's title and while brokers and appraisers agree that it is a hurdle in the sale and commonly hampers marketing of a property, extensive market research revealed no documented evidence that the Right of First Refusal has a negative effect on the property's ultimate market value.

I. Conservation Easement

As discussed throughout, the Taft Property is encumbered by a Deed of Conservation Easement placed on the property in 2019 which dictates its present and future use. Its existence and effect on value was considered within the valuation section of this appraisal as the sales comparison approach utilized sales of both encumbered and unencumbered sales. Specifically, the conservation easement on the Taft Property allows for continued agricultural and recreational use of the property and it allows for its current residential use. It allows for the construction of two new residences on the property but prohibits future subdivision of the property. Market data from across Montana and Wyoming suggests that if a conservation easement-encumbered property retains the rights to some residential construction and use and/or rights to divide the property, it will compete in its market at, or close to, par with similar unencumbered properties. This was demonstrated within the sales comparison analysis prepared herein.

J. Reconciliation and Value Conclusion

I considered the three traditional methods of estimating the market value of the subject property. The income approach was determined to be invalid in this assignment and the cost approach was not applicable since the subject property consists of one primary land class and is improved with an old, modest, seasonal cabin and an old barn that contribute minimally to the property. The sales comparison approach was the only meaningful method of estimating value and was conducted herein with its concluded value reiterated below.

Sales Comparison Approach: \$928,000.00

There was a sufficient amount of good quality, recent sales data available in this assignment as the sale properties were located in the immediate and surrounding market area and possessed features and characteristics generally similar to those of the appraised property. These sales were utilized within the sales comparison approach to value and lends good support to the concluded value. The effect on value of a small cemetery, a right of first refusal, and the conservation easement were considered within the sales comparison approach.

Therefore, in the final analysis, I conclude that as of September 8, 2022, the market value of the subject property appraised herein was \$928,000.00.

Final Value Conclusion: \$928,000.00

The above-concluded value considers the surface fee ownership rights of the real property subject to a conservation easement and a right of first refusal in its “as is” condition and is in terms of cash. The appraised value is based on an exposure and marketing time of six to twelve months.

LIMITING CONDITIONS

CONTINGENT AND LIMITING CONDITIONS: The certification of the Appraiser appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in the report.

1. The Appraiser assumes no responsibility for matters of legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.

2. Any sketch or map displayed in the report may show approximate property boundaries and dimensions and is included to assist the reader in visualizing the property. The Appraiser has made no survey of the property.

3. The contract for appraisal, consultation, or analytical services is fulfilled upon completion of the report and the total fee is due and payable upon completion and delivery of the report. The Appraiser is not required to give testimony or appear in court, nor engage in post appraisal consultation with third parties because of having made the appraisal except under separate arrangement and at an additional fee. If testimony or deposition is required because of subpoena, the client shall be responsible for any additional time, fees, and charges regardless of the issuing party.

4. Any distribution of the valuation in the report between land and improvements applies only under the existing program of utilization. The separate valuations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.

5. The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.

6. Information, estimates, and opinions furnished to the Appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished to the Appraiser can be assumed by the Appraiser.

7. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the Appraiser is affiliated. The appraiser will not divulge the material contents of this report, the analytical findings or conclusions, or provide copies to anyone other than the client or his designees. This report may be subject to confidential peer review for Standards and Ethics compliance.

8. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to the property value, the identity of the Appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the Appraiser is connected), shall be used for any purposes by anyone but the client specified in the report, the mortgagee or its successors and assigns, mortgage insurers, consultants, professional appraisal organizations, any state or federally approved financial institution, any department, agency, or instrumentality of the United States or any state or the District of Columbia, without the previous written consent of the Appraiser; nor shall it be conveyed by anyone to the public through advertising, public relations, news, sales, or the other media, without the written consent and approval of the Appraiser.

9. On all appraisals, subject to satisfactory completion, repairs or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.

10. The Appraiser does not in any way warrant or represent that the property may or may not be insurable and assumes no responsibility for determining such conditions.

11. This appraisal is meant to conform to the Uniform Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of The Appraisal Foundation. The appraisal conducted herein is presented herein as a narrative Appraisal Report. This appraisal is also intended to serve as a Qualified Appraisal pursuant to IRS guidelines for income tax purposes in a manner consistent with the substance and principles of the Uniform Standards of Professional Appraisal Practice (USPAP).

12. The appraiser's compensation is not contingent upon the reporting of a pre-determined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

13. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

ENVIRONMENTAL DISCLAIMER: The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental conditions. The appraiser's routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or environmental conditions that would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections by a qualified hazardous substance and environmental expert would affect the property negatively. It is possible that tests and inspections made by a qualified expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the subject property that would negatively affect its value.

ACCEPTANCE OF, OR USE OF, THIS APPRAISAL REPORT BY THE CLIENT OR ANY OTHER PARTY CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS.

APPRAISAL CERTIFICATION

The Appraiser(s) signing this certification certifies, to the best of his/her knowledge and belief, that:

- the statements of fact contained in this report are true and correct;
- the reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- my engagement in this assignment was not contingent upon developing or reporting predetermined results;
- my compensation for completing this assignment was not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal;
- I have provided no services, as an appraiser, or in any other capacity regarding the property that is the subject of the appraisal within the three-year period immediately preceding the acceptance of this assignment;
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice;
- the property was personally inspected by Kevin T. Pearce;
- no one provided significant professional assistance to the person(s) signing this report;
- there are 49 numbered pages in this report which does not include maps, charts, or exhibits in the Addenda.

Having conducted the appraisal presented herein as a USPAP-Compliant Appraisal Report, the appraiser concludes that the Market Value of the Taft Property in its "as is" condition as of September 8, 2022, was \$928,000.00 (Nine Hundred Twenty-Eight Thousand and no/100 US Dollars).

October 3, 2022



Kevin T. Pearce, ARA
ASFMRA Accredited Rural Appraiser, #1081
US Certified General Appraiser, MT #63 & WY #436



ADDENDA



MARKET DATA

Sale Date	NFR Sale ID	Sale Price	Deeded Ac	Price per ac	County
8/8/2022	5477	\$1,200,000	317	\$3,787	Beaverhead
9/15/2021	5199	\$650,000	155	\$4,197	Beaverhead
8/1/2021	5384	\$2,800,000	448	\$6,250	Madison
7/7/2021	5354	\$1,700,000	199	\$8,534	Beaverhead
2/23/2021	5114	\$299,000	139	\$2,159	Madison
2/16/2021	5077	\$1,200,000	334	\$3,593	Beaverhead
11/20/2020	5070	\$360,000	120	\$3,000	Beaverhead
8/13/2019	4784	\$300,000	58	\$5,205	Beaverhead
7/31/2019	4760	\$2,900,000	724	\$4,008	Madison
11/17/2017	4313	\$7,475,000	1,436	\$5,205	Beaverhead
4/15/2017	4152	\$3,000,000	296	\$10,128	Beaverhead
4/14/2017	4159	\$3,400,000	400	\$8,500	Beaverhead
3/31/2017	4515	\$400,000	157	\$2,542	Fremont
12/16/2016	4069	\$1,600,000	188	\$8,511	Beaverhead
		Average	355	\$5,401	

MARKET DATA

Database ID#: 5199

Sale #:

Sale Date: 9/15/2021

Document:

County: Beaverhead

State: MT

Location: Approx 7 air miles SW of Lima, MT - Little Sheep Creek

Legal Description: T15S R9W: Sec 9: HES 466

Sale Price: \$650,000

Source / verification: MLS / selling broker

Sale Terms: Cash to seller
orig list at \$799K

Deeded Acres: 154.88

Price per deeded acre: \$4,197

Permits / leases: None

Access: Seasonal public FS Road through property

Topography: Creek bottom grass meadows & sagebrush hillsides with some scattered trees

Carrying Capacity: N / A

Water: Middle Fork of Little Sheep Creek through property - may dry up in late summer

Income Analysis: N / A

Gross:

Expenses:

Net:

Overall Cap Rate:

H & B Use: Recreational

Improvements: Small, older rustic cabin - no services or utilities - no measurable contributive value

Condition: Fair

Reproduction Cost New:

Utility: Fair

Contributive Value:

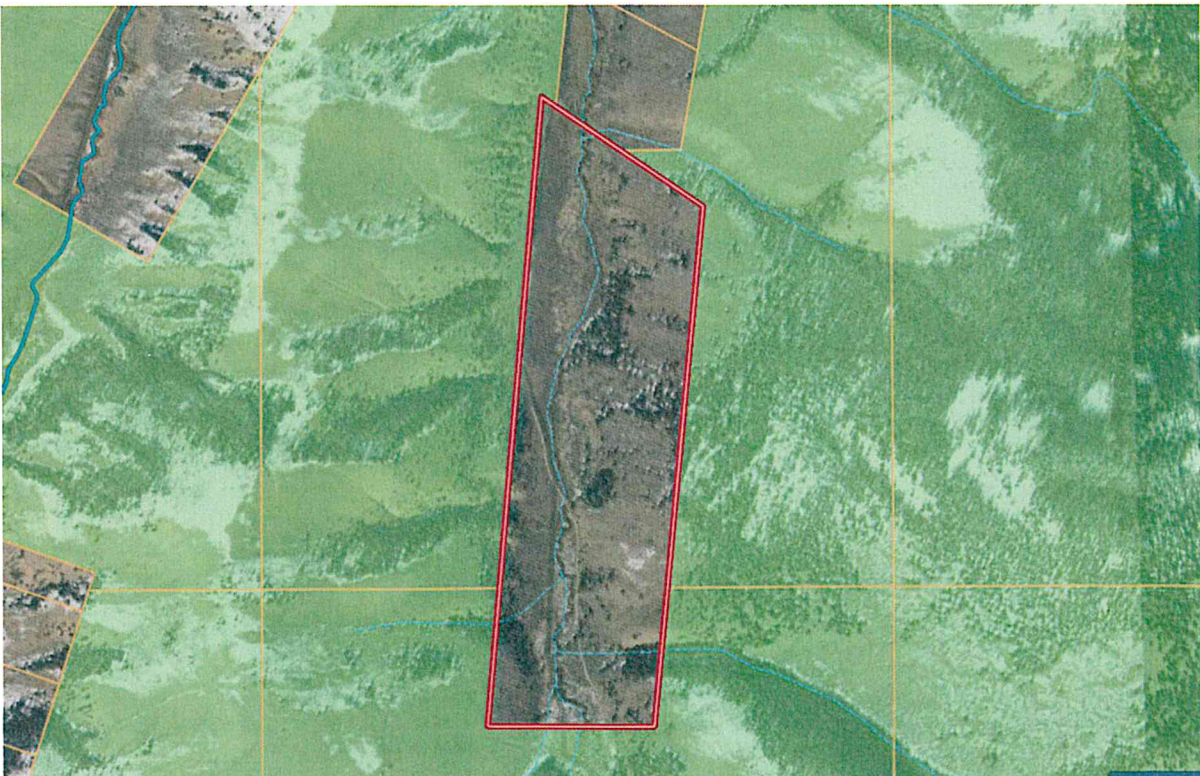
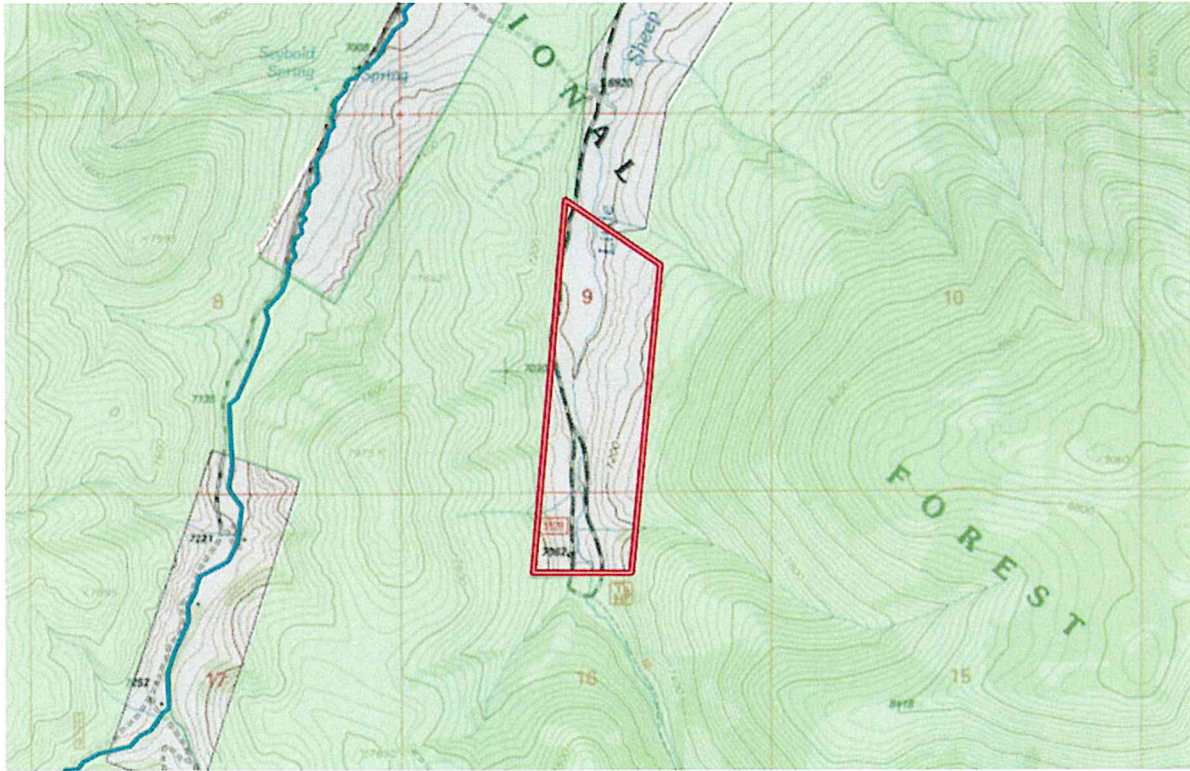
Comments: Mountainous recreational property located SW of Lima in the Beaverhead Mountains being surrounded by National Forest land. At end of the road where it adjoins FS trailhead. Road is gated/closed to the public during the winter but landowners possess year-round access rights.

Sale Allocation: Rec land value 155 Ac X \$4,200 = \$651,000

Total \$651,000

Sale ID: 5199

Approx 7 air miles SW of Lima, MT - Little Sheep Creek



MARKET DATA

Database ID#: 5077

Sale #:

Sale Date: 2/16/2021 **Document:** WD 298173

County: Beaverhead Deer Lodge **State:** MT

Location: Approx 23 miles NE of Wisdom, MT - along Big Hole River

Legal Description: T2N R13W: Parts of Sections 33,34,35

Sale Price: \$1,200,000 **Source / verification:** MLS / selling broker

Sale Terms: Cash
On and off mkt for several years - most recent listing at \$1,420,000 for 2 + yrs

Deeded Acres: 334.00 **Price per deeded acre:** \$3,593

Permits / leases: None

Access: Paved Highway 43 along north side of the property

Topography: River front meadows & timber hillsides

Carrying Capacity: N / A

Water: Fronts on Big Hole River for about 1+ miles - LaMarche Creek

Income Analysis: N / A

Gross:

Expenses:

Net:

Overall Cap Rate:

H & B Use: Recreational / Rural Residential

Improvements: None of contributive value - old fallen-down log barn, sheds

Condition:

Reproduction Cost New:

Utility:

Contributive Value:

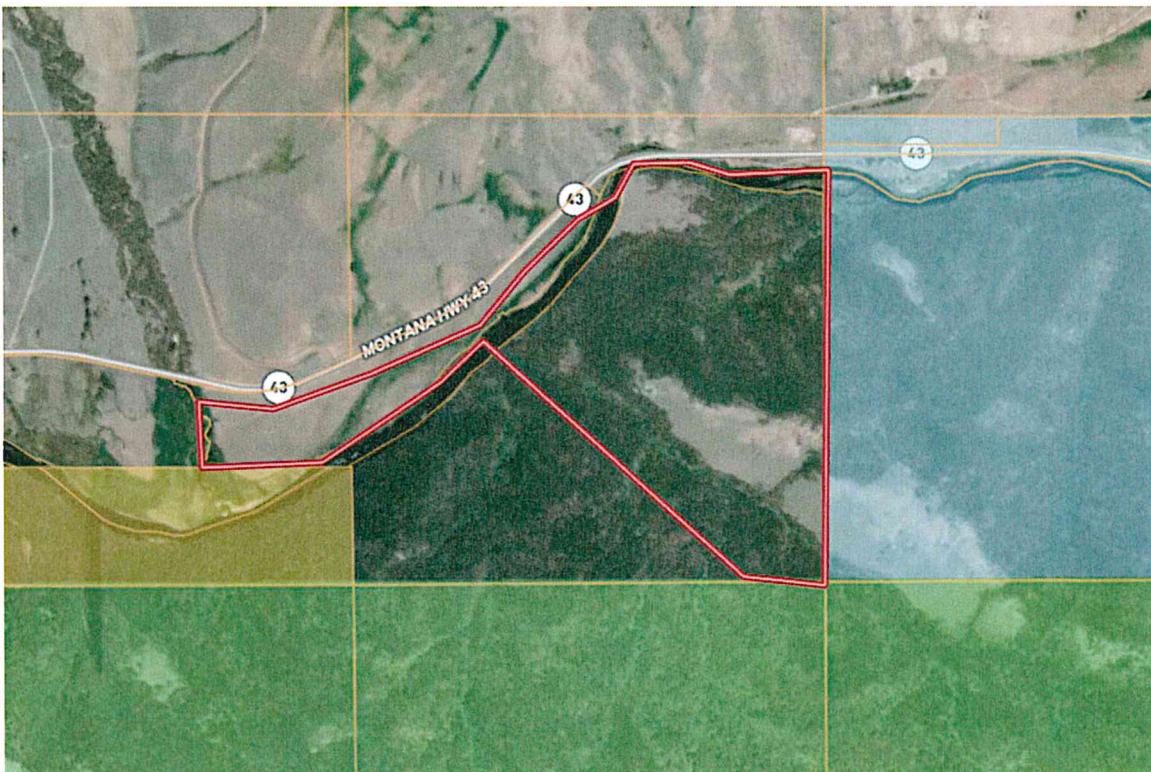
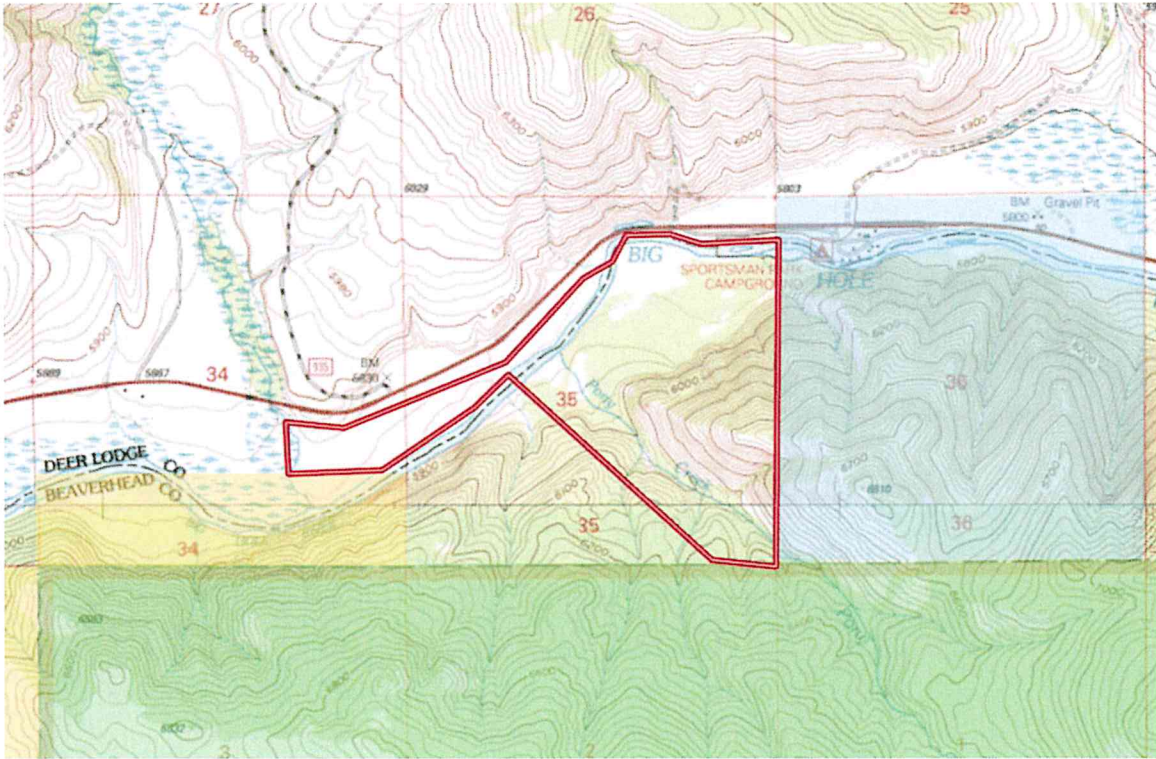
Comments: Attractive, recreational river-front property. Sold subject to MT Land Reliance Cons Easement 10/18/12 that allows for 1 10-acre building envelope but no further subdivision. Similar unencumbered properties indicate a most-likely fee value at \$5,000-\$7,500 per acre which suggests 28%-52% diminution.

Sale Allocation:	River front - rec land	334	Ac	X	\$3,593	=	\$1,200,062
-------------------------	------------------------	-----	----	---	---------	---	-------------

Total \$1,200,062

Sale ID: 5077

Approx 23 miles NE of Wisdom, MT - along Big Hole River



MARKET DATA

Database ID#: 4760

Sale #:

Sale Date: 7/31/2019

Document:

County: Madison

State: MT

Location: Approx 5 air miles NW of McAllister, MT @ 39 Aurora Creek Road - Tobacco Root Mtns

Legal Description: T4S R2W: Sec 15: All & Parcels in Sections 10 & 11

Sale Price: \$2,900,000

Source / verification: MLS

Sale Terms: Cash
Orig list @ \$3,150,000 - 4/17 Prior listing at \$3.3M

Deeded Acres: 723.50

Price per deeded acre: \$4,008

Permits / leases: None - but borders National Forest

Access: Gravel county road

Topography: Mountainous rangeland with areas of timber

Carrying Capacity: N / A

Water: Sawlog Creek, Aurora Creek, Parker Creek

Income Analysis: N / A

Gross:

Expenses:

Net:

Overall Cap Rate:

H & B Use: Recreational Ranch

Improvements: None except for power and roads to 2 permitted building sites

Condition:

Reproduction Cost New:

Utility:

Contributive Value:

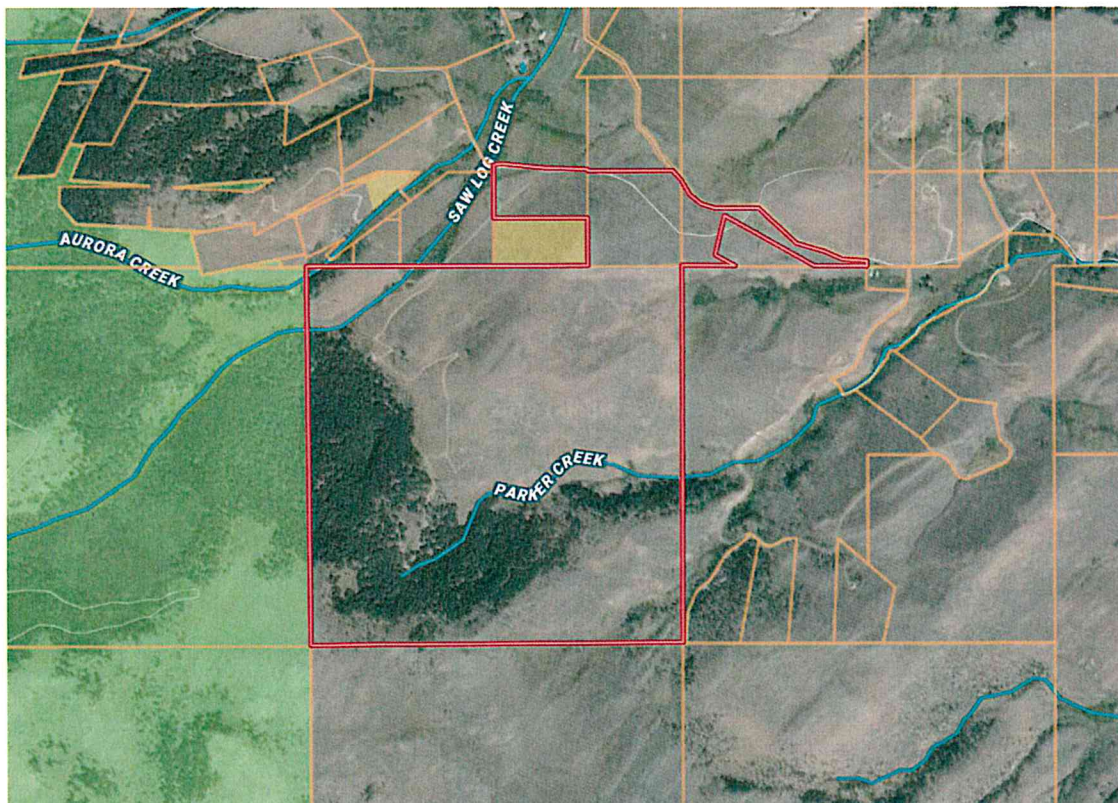
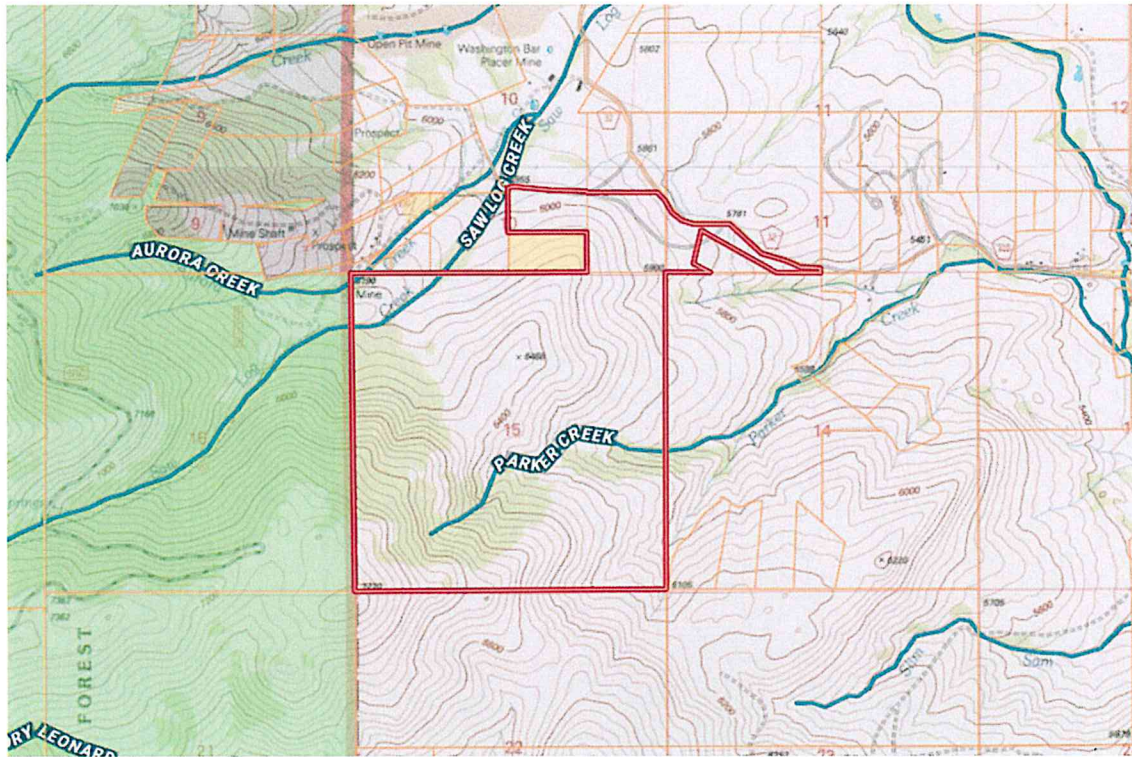
Comments: Attractive mountainous property located about 5 air miles NW of McAllister along east side of Tobacco Root Mtns. Sold subject to a Conservation Easement held by MT Land Reliance that allows for ag & rec uses and 2 homesites but no subdivision or partial sales/

Sale Allocation:	Mtn Rec rangeland pasture	723 Ac X	\$4,000	=	\$2,892,000
------------------	---------------------------	----------	---------	---	-------------

Total \$2,892,000

Sale ID: 4760

Approx 5 air miles NW of McAllister, MT @ 39 Aurora Creek Road - Tobacco Root Mtns



MARKET DATA

Database ID#: 4313

Sale #:

Sale Date: 11/17/2017 **Document:** WD 289188

County: Beaverhead **State:** MT

Location: Centennial Valley - Approx 6 air miles west of Lakeview, MT

Legal Description: T14S R3W; Sec 26: WNE, W, SE and SSE Sec 21 & SW Sec 22 south of County road
 Sec 27: E, ENW, NWNW
 Sec 28: NENE
 Sec 34: NNE
 Sec 35: NE, NNW

Sale Price: \$7,475,000 **Source / verification:** Confidential

Sale Terms: Cash to seller - \$4.9M mortg to Stockman Bank
 Sale price contracted at \$7.5M but reported to be a sale concession of \$25K at closing
 Officially listed in late summer 2017 & immediate offer made

Deeded Acres: 1,436.00 **Price per deeded acre:** \$5,205

Permits / leases: None

Access: Gravel county road along north side of property

Topography: Upland foothill & mountainous rangeland with timber, aspens, creeks, meadows

Carrying Capacity: N / A

Water: Winslow Creek, Tipton Creek, springs, several ponds and natural ponds/potholes

Income Analysis: N / A

Gross: **Expenses:**

Net: **Overall Cap Rate:**

H & B Use: Recreational Ranch

Improvements: 8000sf log mansion & 1,200sf guest cabin built 1994 on upper mountain + modular home, 40x60 shop, small sheds on north end along road

Condition: Good

Reproduction Cost New:

Utility: Good

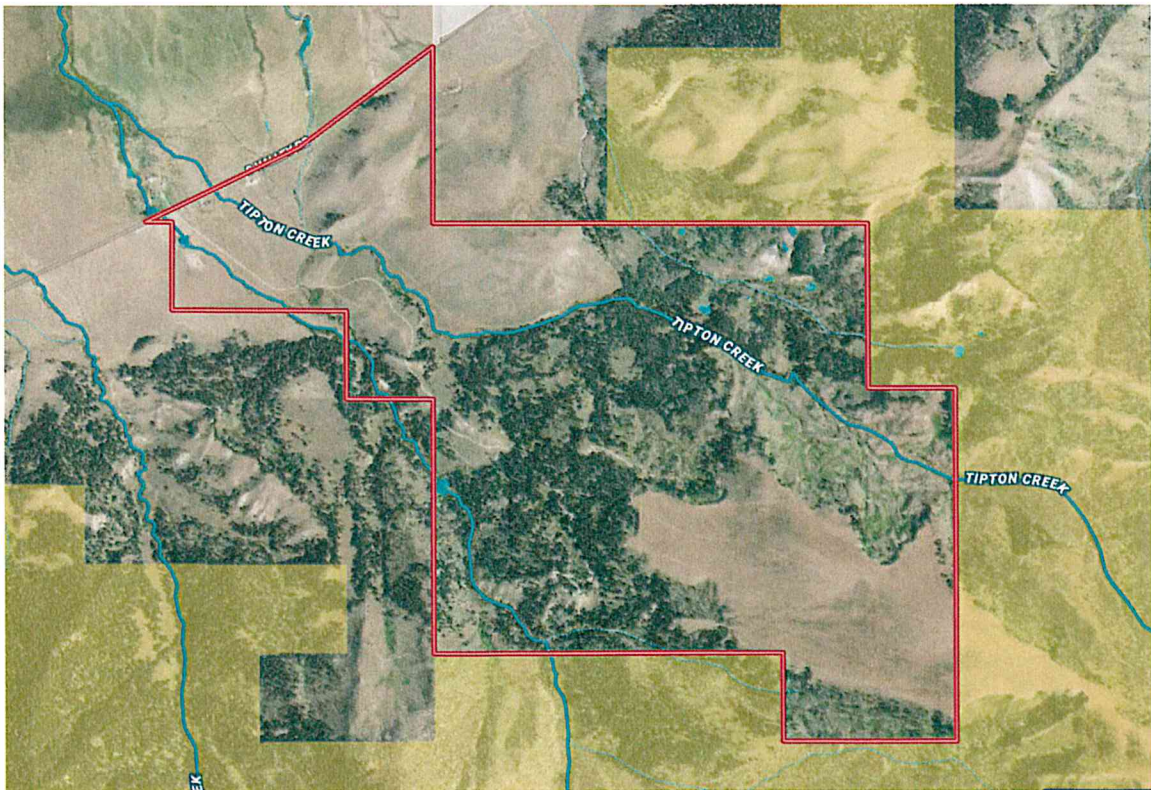
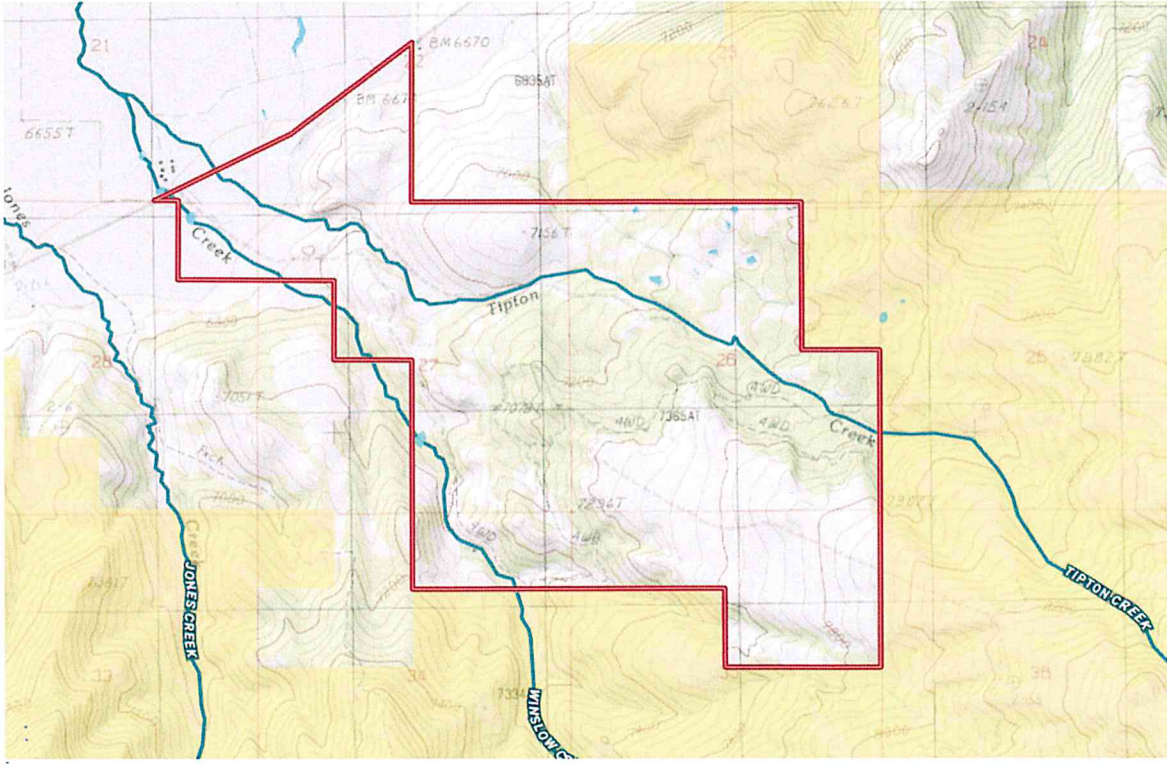
Contributive Value:

Comments: A very attractive, high amenity recreational ranch selling from investor/partnership to out of state buyer for rec uses. Borders BLM land on 3 southerly sides providing direct access to Centennial Mtns & BLM Wilderness Study Area. Highly improved with a 8000sf log home that had not been occupied for many years + manager dwelling, shop, sheds.

Sale Allocation:						
	Mtn rec land	1,436	Ac	X	\$4,000	= \$5,744,000
	Ranch building contribution	1			\$155,000	\$155,000
	Log dwelling & cabin	1			\$1,575,000	\$1,575,000
					Total	\$7,474,000

Sale ID: 4313

Centennial Valley - Approx 6 air miles west of Lakeview, MT



MARKET DATA

Database ID#: 4159

Sale #:

Sale Date: 4/14/2017 **Document:** WD 287895

County: Beaverhead **State:** MT

Location: Approx 12 air miles east of Lakeview, MT or about 10 air miles west of Henrys Lake, ID

Legal Description: T14S R1E: Sec 15: SESW
 Sec 22: NE, NENW, SENW
 Sec 23: SNW, SWNE

Sale Price: \$3,400,000 **Source / verification:** Confidential

Sale Terms: Cash
 Sale price included personal property valued at \$200K
 Listed for about 6 months

Deeded Acres: 400.00 **Price per deeded acre:** \$8,500

Permits / leases: 440 ac adjoining BLM permit + Forest permit for 177 pair for 3 mo

Access: Gravel county road along north side of property - not plowed in winter - winter access via snowmobile

Topography: Open, gently sloping Centennial wet meadows, foothills & light timber on south side

Carrying Capacity: N / A

Water: 3/4 mile Corral Creek, springs, 3 ponds

Income Analysis: N / A

Gross: **Expenses:**
Net: **Overall Cap Rate:**

H & B Use: Recreational

Improvements: 1984 Jonathan Foote log/stone/timber home (2,000sf) & guest house (400sf) + old log cabin, barn, shop corrals

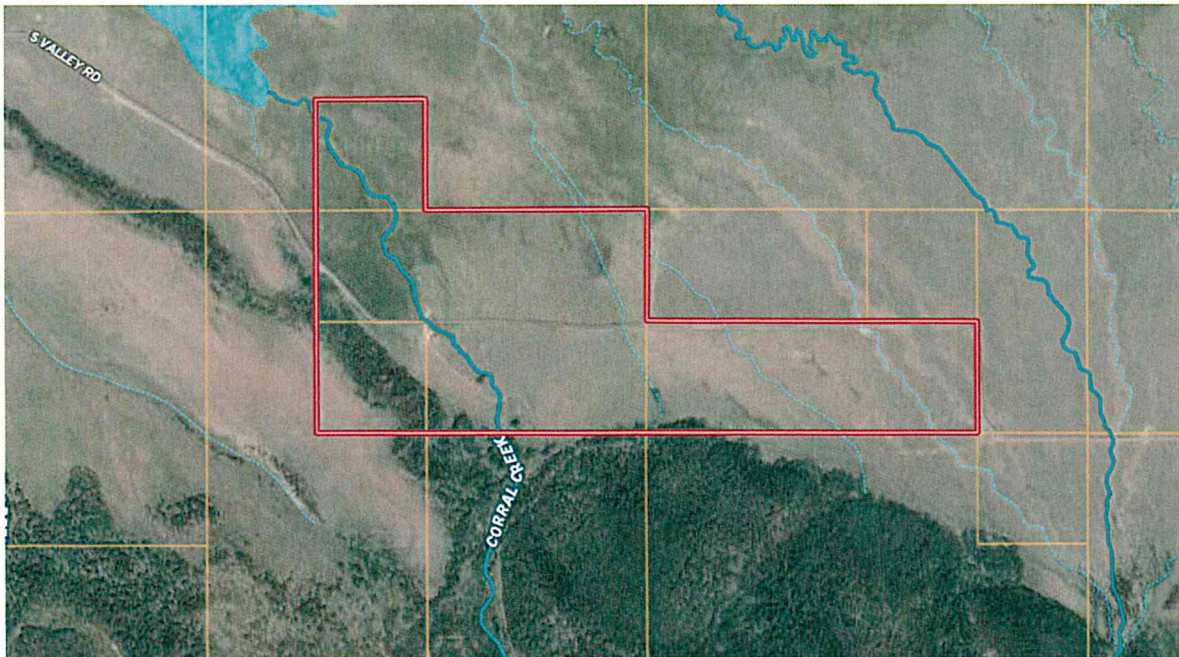
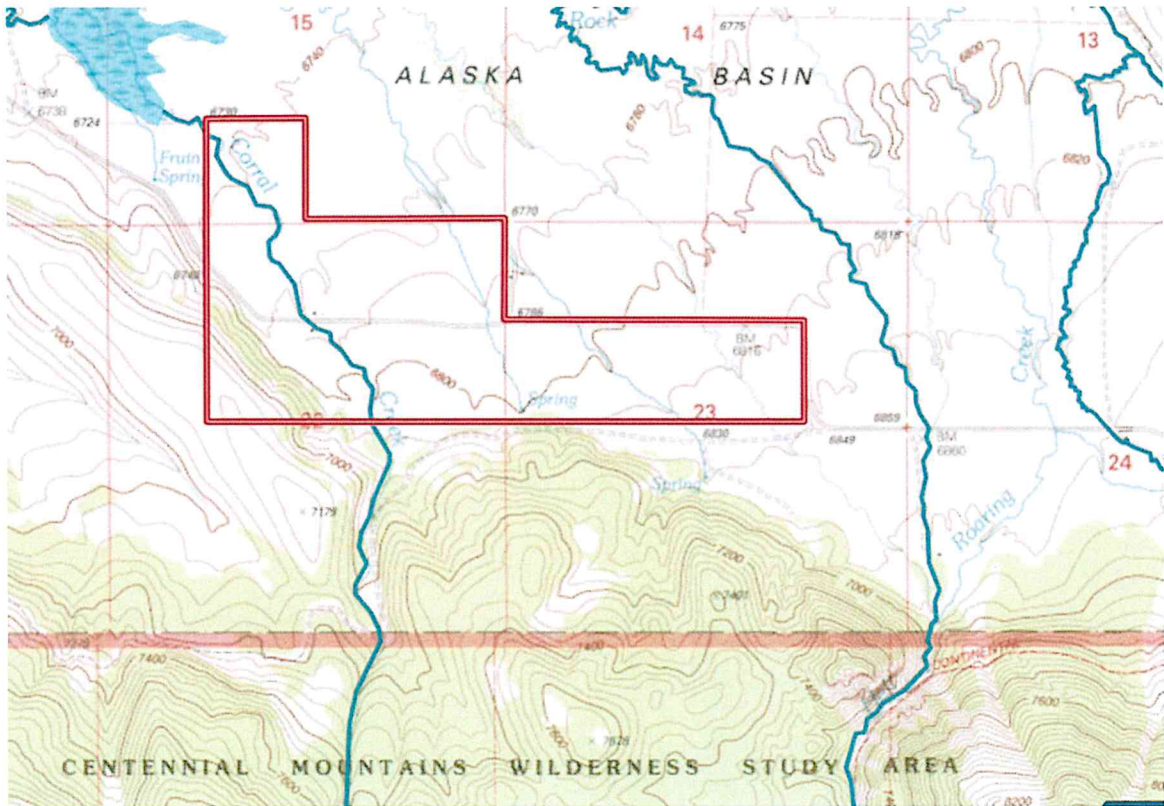
Condition: Good **Reproduction Cost New:** \$2,000,000+
Utility: Good **Contributive Value:** \$600,000

Comments: Attractive recreational property in Alaska Basin at east end of Centennial Valley - Sold subject to Cons Easement held by MT Land Reliance that allows for existing structures + one new dwelling in extreme SW corner of property but cannot be subdivided. Sold to Peregrine 10/12 @ \$2.2M and Peregrine reportedly updated/remodeled dwelling at significant cost since purchase. Property appears to have sold at par with similar unencumbered properties.

Sale Allocation:						
	Flood irrig hay meadow	100	Ac	X	\$6,500	= \$650,000
	Sub-irrig & native pasture	300			\$6,500	\$1,950,000
	Building contribution	1			\$600,000	\$600,000
	Personal property	1			\$200,000	\$200,000
						Total
						\$3,400,000

Sale ID: 4159

Approx 12 air miles east of Lakeview, MT or about 10 air miles west of Henrys Lake, ID



MARKET DATA

Database ID#: 4515

Sale #:

Sale Date: 3/31/2017

Document:

County: Fremont

State: ID

Location: On northwest shore of Henrys Lake, ID

Legal Description: T16N R43E: Sec 31: Land in NE4

Sale Price: \$400,000

Source / verification: Appraiser / MLS

Sale Terms: Cash - listed for 250 days
orig list at \$592,000

Deeded Acres: 157.35

Price per deeded acre: \$2,542

Permits / leases: None

Access: Paved highway & county road

Topography: Open, gently sloping irrig/sub-irrig meadow pasture with some willows & scattered trees

Carrying Capacity: N / A

Water: Frontage on Henry's Lake, potholes, springs, seasonal creek

Income Analysis: N / A

Gross:

Expenses:

Net:

Overall Cap Rate:

H & B Use: Recreational / Rural Residential

Improvements: Older 1,300sf cabin, barn, shed

Condition: Fair

Reproduction Cost New:

Utility: Fair

Contributive Value: \$30,000

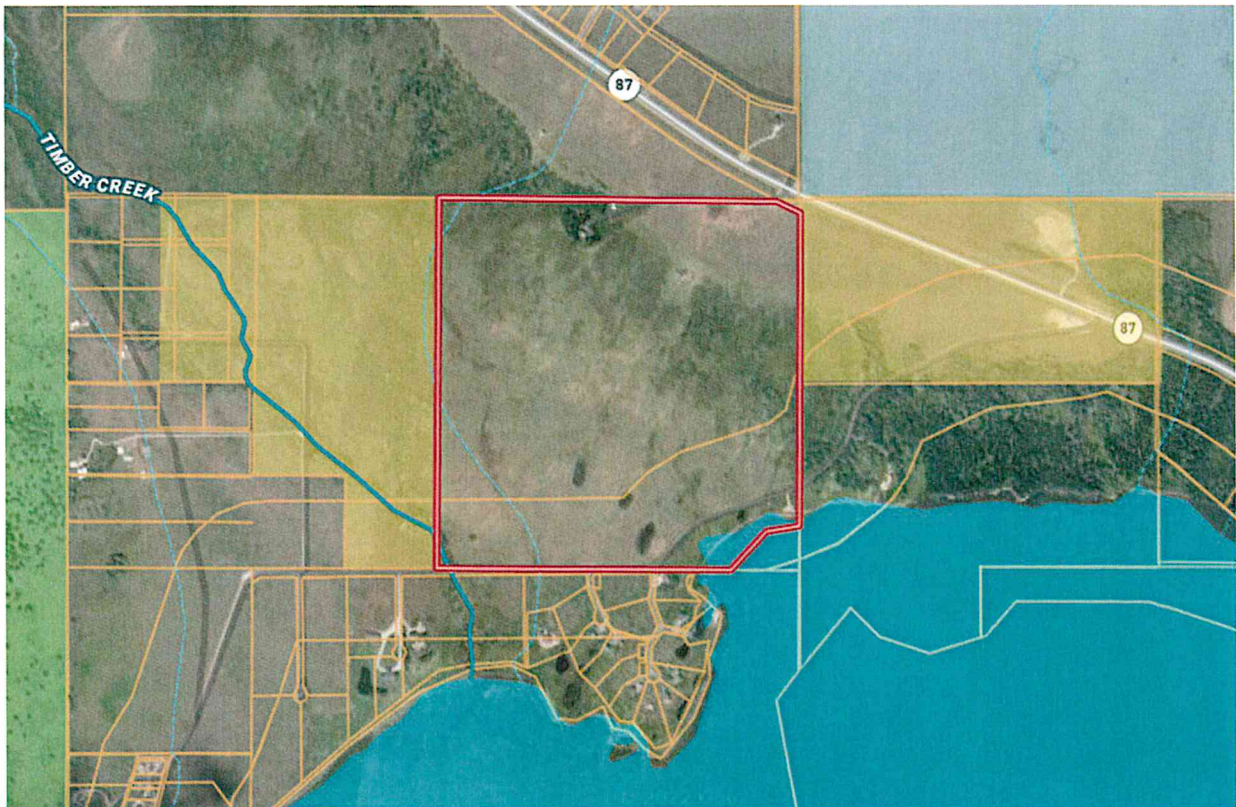
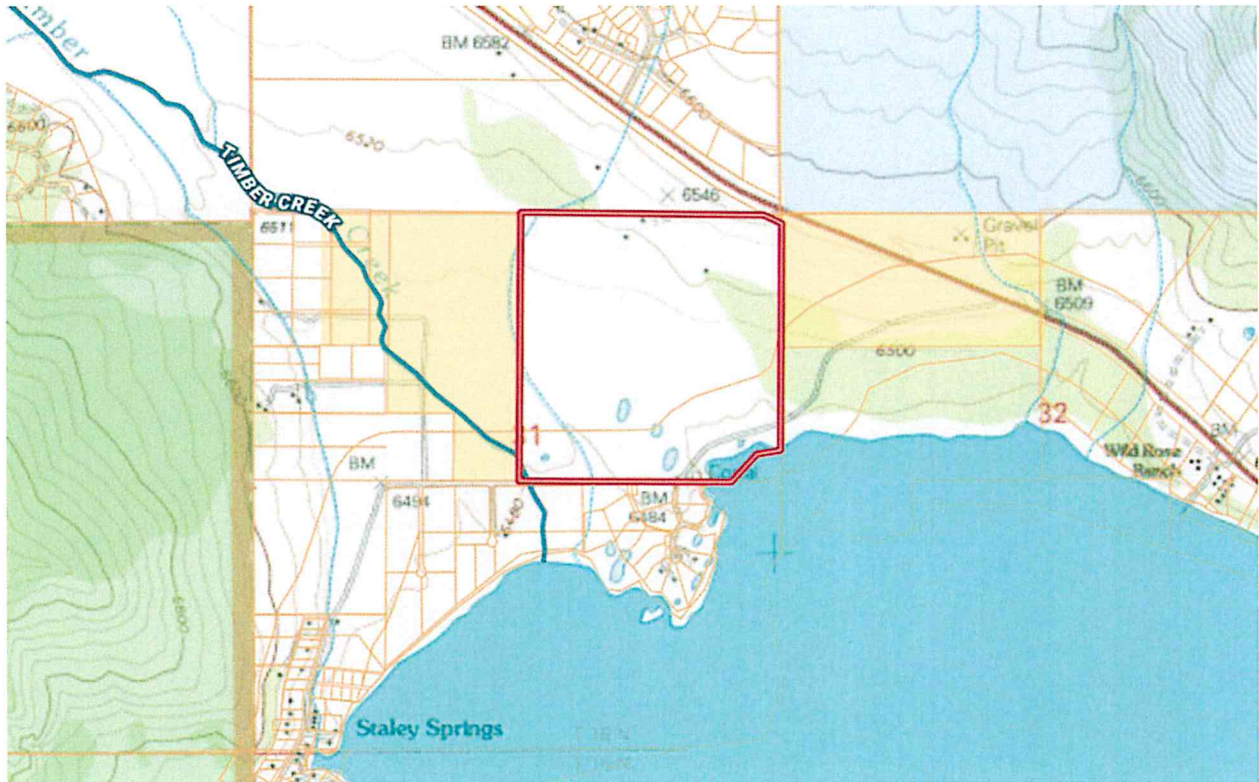
Comments: Attractive meadow property located on north end of Henry's Lake. Property included a small amount (est 1,000ft) of frontage on Henry's Lake which was divided from majority of property by Co Road - lake frontage mostly wetland & not buildable. Sold encumbered by Cons Easement held by TNC that allows for existing cabin & 1,000sf addition to it but no additional building envelopes and prohibits future subdivision, development or rental/commercial uses. Selling from widow to young beginning farmer.

Sale Allocation:	Meadow pasture land	157	Ac	X	\$2,350	=	\$368,950
	Building contribution	1			\$30,000		\$30,000

Total \$398,950

Sale ID: 4515

On northwest shore of Henrys Lake, ID



MARKET DATA

Database ID#: 4069

Sale #:

Sale Date: 12/16/2016

Document: WD 386/3630

County: Beaverhead

State: MT

Location: Approx 60 air miles south of Dillon, MT in Centennial Valley @ 30000 South Valley Rd, Lima

Legal Description: T14S R1W: Sec 30: Lot 9
Sec 31: Lots 2,3,4

Sale Price: \$1,600,000

Source / verification: MLS

Sale Terms: Cash
Buyer paid all closing costs except commission

Deeded Acres: 188.00

Price per deeded acre: \$8,511

Permits / leases: None - but borders BLM & USFWS land that in turn borders Nat'l Forest land

Access: Private road w/ easement from public road - winter access via snowmobile

Topography: Timbered mountain land with open parks and meadows - borders Forest & Refuge lands

Carrying Capacity: N / A

Water: ODell Creek through property for approx 1/4 mile + springs, smaller creeks, seeps

Income Analysis: N / A

Gross:

Expenses:

Net:

Overall Cap Rate:

H & B Use: Recreational

Improvements: Log home built 1991 - 3 BR 2.5 bath - appx 3,052 sf living area on main floor & half-story + 2,052 sf unfin basement & appx 1,500sf porches

Condition: Good

Reproduction Cost New: \$800,000

Utility: Average

Contributive Value: \$470,000

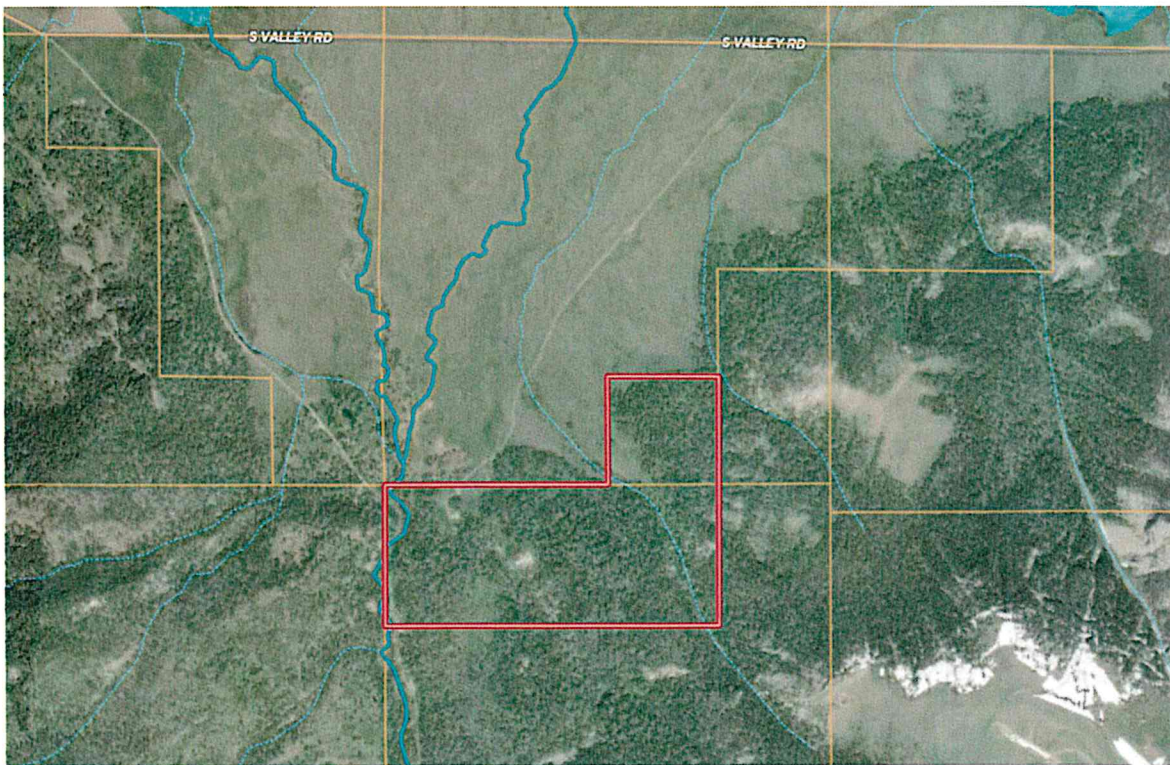
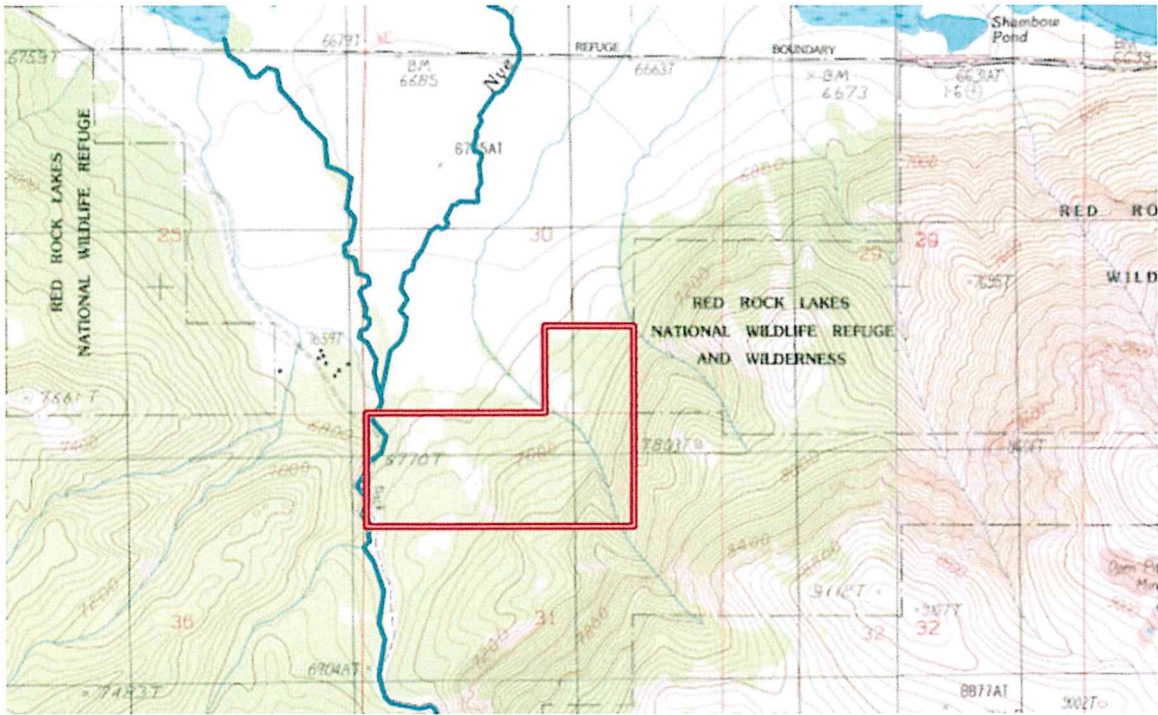
Comments: An attractive recreational property located just south of Lakeview in Centennial Valley. Nearly surrounded by Federal and Red Rock Wildlife Refuge lands. Sold subject to a USFWS Cons Easement that prevents any further subdivison and allows no additional dwellings. Market data suggests unencumbered land value of \$4,000-\$5,000/acre which indicates no dimunution due to easement. Sold 11/4/03 @ \$975K

Sale Allocation:	Land value	188 Ac X	\$6,000	=	\$1,128,000
	Bldg contribution	1	\$470,000		\$470,000

Total \$1,598,000

Sale ID: 4069

Approx 60 air miles south of Dillon, MT in Centennial Valley @ 30000 South Valley Rd, Lima



TIME TREND ANALYSIS -- Sale & Re-sale Pairings

Date	Seller	Buyer	Sale Price	Size - acres	Building value	Elapsed Time - months	Compound change per mo.	Annual Rate of change	County	State	HBU
3/7/2016	Welborn	Nuffer	\$900,000	621	\$50,000	58	+7.1%	+8.95%	Beaverhead	MT	Rec Ag
1/19/2022	Nuffer	TX	\$1,590,000	621	\$110,000						
7/15/2014	Warm Sprg	SEPA	\$3,900,000	2,840	\$125,000	90	+9.1%	+11.44%	Beaverhead	MT	Rec Ranch
12/31/2021	SEPA	Geoduck	\$8,800,000	2,840	\$175,000						
9/2/2015	Wueste	Bagby	\$10,000,000	2,930	\$2,000,000	66	+4.7%	+5.72%	Beaverhead	MT	Rec Ranch
12/27/2021	Bagby	SEPA	\$14,950,000	2,930	\$3,000,000						
1/20/2016	Mattick	BC Montana	\$4,800,000	3,760	\$300,000	70	+9.5%	+11.99%	Beaverhead	MT	Rec Ranch
10/15/2021	BC Montana	Geoduck	\$9,500,000	3,760	\$500,000						
5/18/2015	Kempthorn	Buckingham	\$4,750,000	2,974	\$485,000	75	+6.5%	+8.04%	Lewis & Clark	MT	Rec
8/18/2021	Buckingham	GA Adventures	\$6,300,000	2,774	\$0						
7/21/2017	Sagebrush	Collins	\$590,000	602	\$0	47	+20%	+2.50%	Madison	MT	Rec Ag
6/1/2021	Collins	Schmidt	\$650,000	602	\$0						
10/17/2017	McGee	Driscoll	\$1,400,000	1,258	\$0	44	+70%	+8.74%	Butte	ID	Rec Ranch
6/1/2021	Driscoll		\$1,905,000	1,258	\$0						
3/19/2018	Johnson	Schuett	\$5,000,000	614	\$500,000	38	+13%	+1.55%	Beaverhead	MT	Rec Ag
5/14/2021	Schuett	Sitz	\$5,250,000	614	\$500,000						
1/8/2019	Chaney	Bouma	\$1,525,000	1,710	\$0	27	+1.01%	+12.73%	Broadwater	MT	Rec
5/7/2021	Bouma	Durocher	\$2,000,000	1,710	\$0						
1/27/2016	Konigsberg	White	\$1,750,000	1,260	\$400,000	63	+6.9%	+8.59%	Sweet Grass	MT	Rec
3/1/2021	White	38101	\$2,700,000	1,260	\$600,000						

TIME TREND ANALYSIS -- Sale & Re-sale Pairings

Date	Seller	Buyer	Sale Price	Size - acres	Building value	Elapsed Time - months	Compound change per mo.	Annual Rate of change	County	State	HBU
12/21/2012	Rowan	Frankel	\$225,000	138	\$0	98	+0.29%	+3.54%	Madison	MT	Rec
2/23/2021	Frankel	Mason	\$299,000	138	\$0						
9/11/2015	Territorial	O'Neill	\$3,120,000	3,060	\$110,000	65	+0.57%	+6.98%	Beaverhead	MT	Rec Ag
2/1/2021	O'Neill	Simpson Cr	\$4,500,000	3,060	\$390,000						
7/30/2013	Eckhart	Vollum	\$1,650,000	1,192	\$200,000	89	+0.84%	+10.65%	Sweet Grass	MT	Rec
12/2/2020	Vollum	VA buyer	\$3,499,000	1,192	\$200,000						
12/19/2011	MetLife	Mahn	\$1,720,000	1,599	\$200,000	108	+0.45%	+5.56%	Deer Lodge	MT	Rec Ranch
11/24/2020	Mahn	Bervy	\$2,800,000	1,599	\$200,000						
4/29/2019	LCMJ	Lund	\$1,050,000	640	\$0	19	+0.83%	+10.42%	Lewis & Clark	MT	Rec / Rural res
11/9/2020	Lund	GA Adventures	\$1,230,000	640	\$0						
12/11/2013	Assembly	Hartzheim	\$990,600	1,270	\$0	82	+0.53%	+6.51%	Gallatin	MT	Rec Ag
10/30/2020	Hartzheim	Titton	\$1,525,000	1,270	\$0						
12/1/2008	Wickiup	Saxten	\$210,000	370	\$0	142	+0.54%	+6.65%	Silver Bow	MT	Rec
10/20/2020	Saxten	Don't Fence Me	\$450,000	370	\$0						
10/23/2003	Moe	Trask	\$1,070,000	1,650	\$50,000	204	+0.42%	+5.12%	Meagher	MT	Rec Ranch
10/7/2020	Trask	Little Belt	\$2,800,000	1,650	\$350,000						

ALTA Commitment for Title Insurance

Issued By

Old Republic National Title Insurance Company

Transaction Identification Data for reference only:

Issuing Agent and Office: First American Title Company, 15 South Idaho Street, Ste 2, PO Box 390, Dillon, MT 59725 (406)683-4445

Issuing Office's ALTA ® Registry ID: 1108250

Loan ID No.:

Issuing Office Commitment/File No.: 1028379DL

Property Address: 17700 South Valley Road, Lima, MT 59239

Revision No.: 1

SCHEDULE A

1. Commitment Date: **June 15, 2022 at 7:30 A.M.**
2. Policy (or Policies) to be issued: Owner's Premium Amount reflects applicable rate
 - (a) 2006 ALTA ® Standard Owner's Policy
 - Proposed Insured: **University of Utah**
 - Proposed Policy Amount: **\$Refer to Schedule B, Part I, Requirement 6** Premium Amount \$
 - Endorsements: \$
3. The estate or interest in the Land described or referred to in this Commitment is fee simple.
4. The Title is, at the Commitment Date, vested in: **Melody Ann Taft**

This page is only a part of a 2016 ALTA ® Commitment for Title Insurance issued by Old Republic National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

File No. 1028379DL	Page 4 of 10	ALTA Commitment for Title Insurance (8-1-16)
--------------------	--------------	--

5. The Land is described as follows:

Township 14 South, Range 3 West, P.M.M., Beaverhead County, Montana:
Section 28: SW¹/₄NW¹/₄
Section 29: SE¹/₄NW¹/₄, S¹/₂NE¹/₄



By:

Authorized Countersignature
(This Schedule A valid only when Schedule B is attached.)

This page is only a part of a 2016 ALTA © Commitment for Title Insurance issued by Old Republic National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

ALTA Commitment for Title Insurance

Issued By

Old Republic National Title Insurance Company

SCHEDULE B, PART I Requirements

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
5. If any document in the completion of this transaction is to be executed by an attorney-in-fact, the Power of Attorney must be submitted for review prior to closing.
6. The Proposed Policy Amount(s) must be increased to the full value of the estate or interest being insured, and any additional premium must be paid. An Owner's Policy should reflect an amount at least equal to the full value of the estate insured without deduction of encumbrances. A Loan Policy shall be issued in an amount equal to the amount of the loan unless there is additional collateral reducing the need for coverage. Proposed Policy Amount(s) will be revised and premiums charged consistent therewith when the final amounts are approved.

This page is only a part of a 2016 ALTA © Commitment for Title Insurance issued by Old Republic National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

File No. 1028379DL	Page 6 of 10	ALTA Commitment for Title Insurance (8-1-16)
--------------------	--------------	--

ALTA Commitment for Title Insurance

Issued By

Old Republic National Title Insurance Company

SCHEDULE B, PART II
Exceptions

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records.
2. Any facts, rights, interests, or claims which are not shown by the Public Records but which could be ascertained by an inspection of said Land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title including discrepancies, conflicts in boundary lines, shortage in area, or any other facts that would be disclosed by an accurate and complete land survey of the Land, and that are not shown in the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, ditch or ditch rights, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.
6. Any liens, or rights to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the Public Records.
7. Any right, title or interest in any minerals, mineral rights or related matters, including but not limited to oil, gas, coal and other hydrocarbons, sand, gravel or other common variety materials, whether or not shown by the Public Records.

This page is only a part of a 2016 ALTA © Commitment for Title Insurance issued by Old Republic National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

8. County road rights-of-way not recorded and indexed as a conveyance of record in the office of the Clerk and Recorder pursuant to Title 70, Chapter 21, M.C.A., including, but not limited to any right of the Public and the County of Beaverhead to use and occupy those certain roads and trails as depicted on County Surveyor's maps on file in the office of the County Surveyor of Beaverhead County.
9. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I - Requirements are met.
10. 2022 taxes and special assessments are an accruing lien, amounts not yet determined or payable.
11. Taxes and special assessments.

The first one-half becomes delinquent after November 30th of the current year, the second one-half becomes delinquent after May 31st of the following year.

General taxes as set forth below. Any amounts not paid when due will accrue penalties and interest in addition to the amount stated herein:

Year	First Half / Status	Second Half / Status	Parcel Number	Covers
2021	\$490.31 PAID	\$391.41 PAID	<u>102126</u>	Subject Land

12. Water rights, claims or title to water, ditch or ditch right, whether or not the matters are shown by the public records.
13. Any matters arising from questions of gaps or overlaps between the legal description of the herein described land and those of surrounding parcels.
14. Rights, interests, and easements of any and all person(s) or legal entity(ies) who have purchased burial lots or parts thereof located on in the premises-this exception would only be used if they have sold any lots in the cemetery or if there are bodies buried in the cemetery.
15. Statutory rights and powers of the State of Montana, county and municipality to regulate and control the use of the premises as a cemetery and also to regulate and control the interment or removal of such remains in or from the premises or any building located thereon.
16. Legal limitations and restrictions imposed by the laws of the State of Montana in connection with land dedicated for cemetery purposes.
- ✓ 17. Easement granted to Beaverhead County, Montana, recorded June 13, 1940 in Book 1 of Roads, page 515.
- ✓ 18. Provisions in deed regarding the Cemetery, recorded January 22, 1947 in Book 116 of Deeds, page 154-156.
- ✓ 19. Easement granted to Vigilante Electric Cooperative, Inc., recorded September 12, 1960 in Book 163 of Deeds, page 186-187.

This page is only a part of a 2016 ALTA © Commitment for Title Insurance issued by Old Republic National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

- ✓ 20. Easement granted to The Mountain States Telephone and Telegraph Company, recorded October 21, 1982 in Book 231 of Microfilm, page 1500-1503.

Assignment of Easements to 3 Rivers Telephone Company recorded September 10, 1996 in Book 285 of Microfilm, Page 627-649.
- ✓ 21. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by Record of Survey No. 615 recorded November 22, 1988, as instrument number 199597, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
- ✓ 22. All matters, covenants, conditions, restrictions, easements and any rights, interests or claims which may exist by reason thereof, disclosed by Record of Survey No. 696 recorded December 10, 1990, as instrument number 207182, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).
- ✓ 23. Provisions in deed, recorded July 25, 1995 in Book 280 of Microfilm, page 433-435.
- ✓ 24. Right of First Refusal executed by John E. Taft 1990 Trust, U/O/T dated September 8, 1990 and The Huntsman Ranch Company filed for record on July 25, 1995 in Book 280 of Microfilm, Page 436-439.
- ✓ 25. Deed of Conservation Easement upon the terms, conditions and provisions contained therein:
Parties: Melody Ann Taft and The Montana Land Reliance
Recorded: January 25, 2019, Instrument No. 292046, Book 392, Page 562-583

This page is only a part of a 2016 ALTA © Commitment for Title Insurance issued by Old Republic National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I - Requirements; Schedule B, Part II - Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Copyright 2006-2016 American Land Title Association. All rights reserved.

The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

File No. 1028379DL	Page 9 of 10	ALTA Commitment for Title Insurance (8-1-16)
--------------------	--------------	--

515

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year in this certificate first above written.

(NOTARIAL SEAL)

D. O. Omholt

Notary Public for the State of Wisconsin; Residing at Iola, Wis.

My Commission expires May 9, 1943.

-0-

Filed for Record this 29th day of March A. D. 1940 at 3:35 o'clock P. M.
Reception #60724

Albert S. Baker,
County Recorder.

COMPARED

EASEMENT

THIS INDENTURE, made this 12th day of June A. D. Nineteen hundred and forty, by Emma Lou Neighbor, a married woman, of Mondak, Montana in consideration of her desire to aid the public welfare, and other valuable considerations, receipt of which is hereby acknowledged, does grant to BEAVERHEAD COUNTY, MONTANA, a political subdivision of the State of Montana, the right to construct and maintain a public highway over and across the following described real property, to-wit:

17

Beginning at a point bearing south 132° from the northeast corner of Section 29, T. 14 S., R. 3 W., M. P. M., and running N. 82°23' W., 1094.0'; thence N. 68°34' W., 253.1'; thence S. 31.8'; thence S. 68°42' E., 314.1'; thence S. 82°59' W., 755.9'; thence S. 89°56' E., 278.0' to the point of beginning,

(SEAL) Emma Lou Neighbor

STATE OF MONTANA)
County of Beaverhead)ss

On this 12th day of June in the year one thousand nine hundred and forty before me Irving E. Orr a Notary Public in and for the State of Montana, personally appeared Emma Lou Neighbor known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

(NOTARIAL SEAL)

Irving E. Orr

NOTARY PUBLIC for the State of Montana Residing at Dillon, Montana.

My Commission expires May 22nd, 1942.

-0-

Filed for Record this 13th day of June A. D. 1940 at 4:30 o'clock P. M.
Reception #61117

Albert S. Baker,
County Recorder.

COMPARED

GRAVEL PERMIT

June 13, 1940

Poindexter & Orr Livestock Company, a corporation of Dillon, Montana, hereby grants to BEAVERHEAD COUNTY, MONTANA, the right to obtain gravel from a gravel pit located near the county road in the N₂ of Section 29, T. 8 S., R. 8 W., M. P. M., together with the right of ingress and egress through its property.

Said gravel to be used on their County Wide Improvement Program.

(CORPORATE SEAL)

Poindexter & Orr Livestock Company

By John T. Orr.

President

ATTEST: Bert Orr

Secretary

Subscribed and sworn before me:

This the 13th day of June 1940

(NOTARIAL SEAL)

Irving E. Orr

Official Title

NOTARY PUBLIC for the State of Montana, Residing at Dillon, Montana.

My Commission expires May 22nd, 1942.

-0-

Filed for Record this 13th day of June A. D. 1940 at 4:30 o'clock P. M.
Reception #61118

Albert S. Baker,
County Recorder.

COMPARED

EASEMENT

THIS INDENTURE, made this 17th day of June A. D. Nineteen hundred and forty, by Milton Bean, a Widower of Mondak, Montana in consideration of his desire to aid the public welfare, and other valuable considerations, receipt of which is hereby acknowledged, does grant to BEAVERHEAD COUNTY, MONTANA, a political subdivision of the State of Montana, the right to construct and maintain a public highway over and across the following described real estate, to-wit:

154

37-10

18

NO. 2 - WARRANTY DEED

STATE PUBLISHING CO., HELENA, MONT.

THIS INDENTURE, Made this 14th day of January in the year of our Lord one thousand nine hundred and ~~FOREVER~~ seven between JOHN NEIGHBOR and LOU E. NEIGHBOR, husband and wife, of Dillon, Montana,

the parties of the first part, and EMMETT JONES, of Beaverhead County, Montana, and GEORGE W. JONES, of Beaverhead County, Montana;

WITNESSETH: That the said parties of the first part, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) lawful money of the United States of America, to them in hand paid by said parties of the second part, the receipt whereof is hereby acknowledged do by these presents grant, bargain, sell, convey and confirm unto the said parties of the second part and to their heirs and assigns, FOREVER, all the certain lots, pieces or parcels of land, situate, lying and being in County of Beaverhead and State of Montana, particularly described as follows, to-wit:

TOWNSHIP 14 SOUTH, RANGE 3 WEST:

- Lot 4;
 - South Half of Southeast Quarter of Section 7;
 - Southwest Quarter of Southwest Quarter;
 - West Half of Southeast Quarter of Section 8;
 - Northwest Quarter of Northeast Quarter, Northwest Quarter;
 - North Half of Southwest Quarter of Section 17;
- Lots 1, 2, 3;
 - Southeast Quarter of Northwest Quarter;
 - Northeast Quarter of Southwest Quarter;
 - North Half of Southeast Quarter;
 - Northeast quarter of Section 18;
 - West Half of Northeast Quarter;
 - North Half of Southeast Quarter;
 - Southeast quarter of Southeast Quarter of Section 20;
 - Southwest quarter of Northwest Quarter of Section 28;
 - East Half of Northeast Quarter;
 - Southwest Quarter of Northeast Quarter;
 - Southeast Quarter of Northwest Quarter of Section 29;

TOWNSHIP 14 SOUTH, RANGE 4 WEST:

- East Half of Southwest Quarter;
- West Half of Southeast Quarter of Section 10;
- South Half of Southeast Quarter;
- Southeast quarter of Southwest Quarter of Section 12;
- North Half of North Half;
- Southwest Quarter of Northwest Quarter;
- Southeast Quarter of Northeast Quarter;
- Northeast Quarter of Southeast quarter of Section 13;
- Northeast quarter;
- North Half of South Half;
- South Half of Southwest Quarter of Section 14;
- All of Section 15;

East Half of Northeast Quarter of Section 21;

All of Section 22;

West Half of Section 23;

Northwest Quarter;
West Half of Southwest Quarter of Section 26;

East Half;
Northeast Quarter of Northwest Quarter;
Southwest Quarter of Section 27;

Southeast Quarter of Section 28;

Northeast Quarter of Section 33;

North Half of North Half;
South Half of Northwest Quarter of Section 34;

Northwest Quarter of Northwest Quarter of Section 35;

TOGETHER with all improvements thereon and appurtenances thereunto appertaining, including all water, water rights, ditches and ditch rights, canal and canal rights heretofore used thereon or in connection with said lands, however evidenced.

SUBJECT only to existing easements, if any, over, upon or across said lands and premises and all reservations or exceptions set out and contained in any patent, deed, judgment or other instrument affecting the title to said lands and premises appearing of record on the date hereof; and excepting from this deed and conveyance the burial lot or cemetery on the premises, which shall so long as used as a cemetery or burial lot be fenced by the first parties; and reserving to the first parties the right of ingress and egress to said burial lot or cemetery and the right of interment in said burial lot or cemetery for members of said first parties' family.



156 Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof. And also, all the estate, right, title, interest property, possession, claim and demand whatsoever, as well in law as in equity, of the part.ies. of the first part of, in and to the said premises, and every part and parcel thereof with the appurtenances.

TO HAVE AND TO HOLD, all and singular the said premises, with the appurtenances, unto the said parties... of the second part, their heirs and assigns, to their own proper use, benefit and behoof, forever. And the said parties... of the first part, for themselves and their heirs, executors and administrators, do hereby covenant, promise and agree to and with the said parties... of the second part, their heirs and assigns, that the said parties... of the first part, at the time of the sealing and delivery of these presents ARE lawfully seized in fee simple of a good, absolute and indefeasible estate of inheritance, in fee simple, of and in all and singular the said premises, with the appurtenances, and have good right, full power and lawful authority to grant, bargain, sell and convey the same in the manner aforesaid. And that the said parties... of the second part their heirs and assigns shall and may at all times hereafter, peaceably and quietly have, hold, use, occupy, possess and enjoy the said premises, and every part and parcel thereof, with the appurtenances, without any let, suit, trouble, molestation, eviction or disturbance of the said parties... of the first part, their heirs or assigns or of any other person or persons lawfully claiming or to claim the same; and that the same now are free, clear, discharged and unincumbered, of and from all former and other grants, trusts, uses, titles, charges, estates, judgments, taxes, assessments and incumbrances, of what nature or kind whatsoever.

IN WITNESS WHEREOF, the said parties... of the first part have hereunto set their hands and seals the day and year first above written.

Signed, Sealed and Delivered in the presence of
 John Neighbor (SEAL)
 Louie Neighbor (SEAL)
 (SEAL)
 (SEAL)

STATE OF MONTANA, ss.
 County of Beaverhead
 On this 20th day of January, nineteen hundred and forty seven before me, the undersigned, a Notary Public for the State of Montana, personally appeared JOHN NEIGHBOR and LOU E. NEIGHBOR, husband and wife, known to me

(or proved to me on oath of...)
 to be the persons whose names ARE subscribed to the within instrument, and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public for the State of Montana.
 Residing at Dillon, Montana My Commission expires March 6, 1948

PLAID AND RECORDED
 72857

Warranty Deed

John Neighbor et ux
 TO
 Emmett & George Jones

Dated _____, 19____

Recorded at the request of _____

on the 32nd day of JANUARY, 1947
 at 30 minutes past 11:00 o'clock
 A.M. in 119 of Deeds, page 45-46
 C. W. BICKINGHAM
 County Recorder.
 By _____ Deputy.
 \$2.50

3209

19

186

RIGHT OF WAY EASEMENT TO
VIGILANTE ELECTRIC COOPERATIVE, INC.

KNOW ALL PERSONS BY THESE PRESENTS:

That Joe G. Rebich and Mary E. Rebich
of Dillon, Montana, hereinafter referred
to as "Grantor," for valuable consideration, the receipt whereof is hereby acknowledged, do
hereby grant unto Vigilante Electric Cooperative, a Corporation, whose post office address is
Dillon, Montana, hereinafter referred to as the "Cooperative," and to its employees, successors, or
assigns, the right to enter upon the lands of the Grantor, s., situated in the County of
Beaverhead, State of Montana, and more particularly described as
follows:

Land located within the boundaries of Sec. 28 and 29 T14S R3W
.....
.....
.....

and to place, construct, operate, repair, maintain, relocate and replace thereon and in or upon all
streets, roads or highways abutting said lands, an electric transmission or distribution line or
system, and to cut and trim trees and shrubbery to the extent necessary to keep them clear of
said electric line or system and to cut down from time to time all dead, weak, leaning or dangerous
trees that are tall enough to strike the wires in falling.

The specific consideration for this grant is the action of the Cooperative in building electric
transmission and/or distribution lines and facilities in the rural areas of
Beaverhead County, to provide electric energy on a non-profit basis for its members.
It is understood and agreed that such easements must be granted to the Cooperative to make it
possible for the Cooperative to build such lines. The Cooperative may permit the
attachment of wires or fixtures other than its own upon its poles.
In granting this easement, it is understood that the location of the poles, lines, guys, anchors,
etc., will be such as to form the least possible interference to member operations, so long as it
does not materially increase the cost of construction or create a hazardous condition.

Grantors covenant s. that the y. are s. the owner s. of the above described lands and
that the said lands are free and clear of encumbrances and liens of whatsoever character except
those held by the following persons: Emmett Carroll st.

This grant shall be binding upon the heirs, executors, administrators, and assigns of the re-
spective parties to the same extent as it shall bind said parties.

IN WITNESS WHEREOF, the Grantor s. ha. s. affixed HR signature s. on this
17th day of July, 1958
Joe G. Rebich
Mrs. Mary E. Rebich
(Joe G. Rebich)

STATE OF MONTANA }
County of Beaverhead } ss.
On this 17th day of July, 1958, before me
Howard T. Sabree a Notary Public for the State aforesaid,
personally appeared Joe G. and Mary E. Rebich known to me to be
the person s. whose name s. one subscribed to the within instrument, and acknowledged to
me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day
and year last above written
Notary Public for the State of Montana
Dillon, Montana
Commission Expires April 25, 1967
Howard T. Sabree
Notary Public for the State of Montana

KNOW ALL MEN BY THESE PRESENTS, that, for a good and valuable consideration, the receipt of which is hereby acknowledged, the undersigned, the holder of a sales contract dated May 1, 1954, executed by Joe G. and Mary E. Rebich as purchasers, upon certain real estate situated in Beaverhead County, State of Montana and more particularly described as Land located within the boundaries of Sec. 28 and 29 T14S R3W

does hereby subordinate said sales contract to an easement, dated July 17, 1958, granted by Joe G. and Mary E. Rebich to Vigilante Electric Cooperative, Inc., for the construction, operation, and maintenance of an electric line affecting said real estate, and does hereby release any right, title or interest he may have by virtue of said sales contract to the extent necessary to permit the full enjoyment of said easement.

IN WITNESS WHEREOF, the undersigned has set his hand and seal this 5th day of August, 1958.

Emmett Carroll
Emmett Carroll

Subscribed and sworn to before me this 5th day of August, 1958.

Deputy E. Larson
NOTARY PUBLIC for the State of Montana
Residing at Dillon, Montana
My Commission Expires June 25, 1961

STATE OF MONTANA, ss. 1958
County of Beaverhead.

I hereby certify that, the within instrument was filed in my office on the 12 day of Sept. A.D. 1960 at 4.1 min. past 2 o'clock P.M. and recorded on page 186-7 of Book 76.3 of Deed Records of Beaverhead County, Montana.

INDEXED

Attest my hand and seal
Pauline Johnson
County Recorder

By _____ Deputy

Fee 3.400

RIGHT-OF-WAY EASEMENT

The Undersigned Grantor (and each and all of them if more than one) for and in consideration of ONE and no/100 ----- dollars (\$ 1.00) in hand paid by the Grantee, the receipt whereof is hereby acknowledged, hereby grants, bargains and conveys unto The Mountain States Telephone and Telegraph Company, a Colorado corporation, 931 14th Street, Denver, Colorado, 80202. Grantee, its successors, assigns, lessees, licensees and agents a Right-of-Way Easement and the right to construct, operate, maintain and remove such communication and other facilities, from time to time, as said Grantee may require upon, over, under and across the following described land which the Grantor owns or in which the Grantor has any interest, to wit:

A TWENTY (20) Foot wide strip of land in the Northeast Quarter (NE1/4) Section 29, AND in the Northwest Quarter (NW1/4) Section 28, both being in Township 14 South, Range 3 West, P.M.M., the centerline being more particularly described in the attached Exhibit Map.

situate in County of Beaverhead, State of Montana TOGETHER with the right of ingress and egress over and across the lands of the Grantor to and from the above-described property, the right to clear and keep cleared all trees and other obstructions as may be necessary and the right to permit other utility companies to use the right of way jointly with Grantee for their utility purposes.

The Grantor reserves the right to occupy, use, and cultivate said property for all purposes not inconsistent with the rights herein granted.

Signed and delivered this 7 day of July A. D., 1926.

At Rebich & Sons Livestock Co. (A Partnership) Joseph Rebich (A Partner) Phillip E. Rebich (A Partner)

(Add below a form of acknowledgment appropriate for the state in which the right-of-way is located and for the party who is granting the right-of-way, see I.M. 173, Sec. 3 for proper form.)

State of MONTANA County of BEAVERHEAD ss.

On this 7 day of July, 1926, before me, the undersigned, a Notary Public in and for the State of MONTANA personally appeared JOSEPH REBICH AND PHILLIP REBICH AND SONS LIVESTOCK CO. known to me to be the person(s) whose name(s) subscribed to the within instrument, and acknowledged to me that he executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my Notarial Seal the day and year in this certificate first above written.

Notary Public for the State of MONTANA Residing at My Commission Expires

This space for recording information



INDEXED 21st October 1926 1:30 P.M. 1500-B Julie W. Custer \$8.00 Mountain States Tel. & Tel. Co. 510 N. Park Ave.

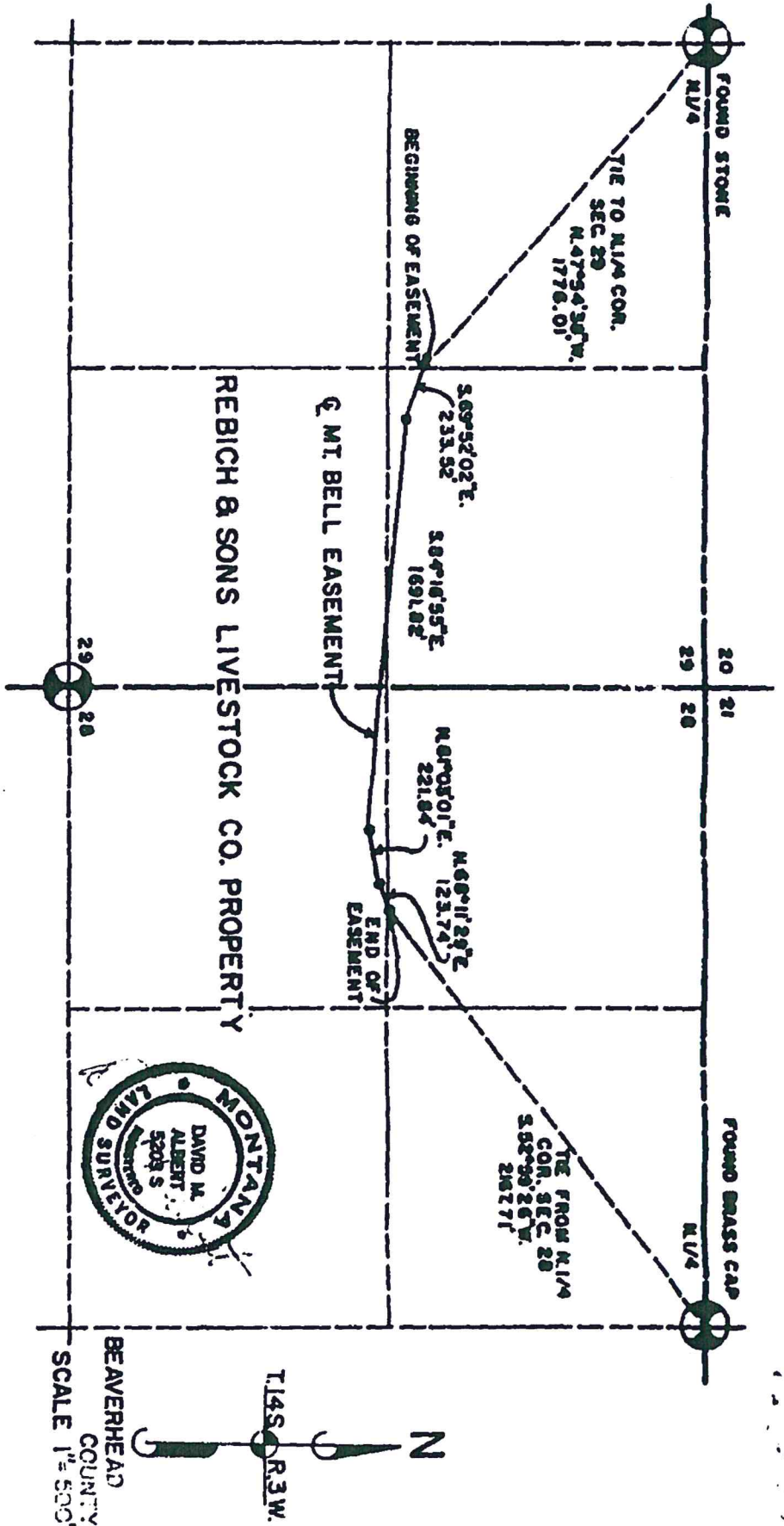
STATE OF Montana)
COUNTY OF Beaverhead)

On this 7th day of Sept, 1951, before me, the undersigned, a Notary Public in and for the State of Montana, personally appeared Jason Polignac and Charles Polignac, known to me to be the partners of the partnership that executed the within instrument, and acknowledged to me that said partnership, executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year in this certificate first above written.

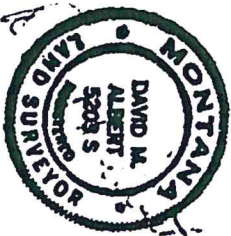


Charles B. Pliginsk
Notary Public for
the State of Montana
Residing at Missoula
My Commission Expires 27th



NOTES:
 BASIS OF BEARING, W LINE OF THE S.W. 1/4, SECTION 30, T14S, R.4W
 G.L.O. RECORD = N. 00° 07' 00" E.
 MT. BELL EASEMENT IS 20 FEET WIDE, BEING 10 FEET ON EACH
 SIDE OF THE CENTERLINE SHOWN.
 FOR LEGAL DESCRIPTION SEE REVERSE SIDE.

EXHIBIT MAP
 REBICH & SONS LIVESTOCK CO. EASEMENT
 N.E. 1/4 SECTION 29 & N.W. 1/4 SECTION 28
 T14S, R3W P.M.M. BEAVERHEAD COUNTY
 JUNE 1982 MT. BELL PROJ. No. S-9955
 MONIDA - LAKEVIEW-18 8281588BELL



BEAVERHEAD COUNTY
 SCALE 1" = 500'
 T14S, R3W

LEGAL DESCRIPTION

It is the intent of the Mountain States Telephone and Telegraph Company to install a communications system within the limits of this described easement and that the Mountain States Telephone and Telegraph Company, or its successors and assigns, will have the right to construct, operate, and maintain said communications system.

The following described easement is located in the Northeast Quarter (NE $\frac{1}{4}$) of Section Twenty-Nine (29) and the Northwest Quarter (NW $\frac{1}{4}$) of Section Twenty-Eight, Township Fourteen (14) South, Range Three (3) West, Principal Meridian Montana, County of Beaverhead, Montana, more particularly described as follows:

This easement is Twenty (20) feet in width, being Ten (10) feet on each side of the following described centerline: Beginning at a point on the west line of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of said Section 29 from which the N $\frac{1}{4}$ corner of said Section 29 bears N. 47° 54' 38" E. 1776.01 feet; thence S. 69° 52' 02" E. 233.52 feet; thence S. 84° 16' 55" E. 1691.82 feet; thence N. 81° 03' 01" E. 221.84 feet; thence N. 68° 11' 29" E. 123.74 feet. to the end of this easement, a point on the North line of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of said Section 28, which bears S. 52° 59' 26" W. 2167.71 feet from the N $\frac{1}{4}$ corner of said Section 28.

#21

CERTIFICATE OF SURVEY JONES CEMETERY

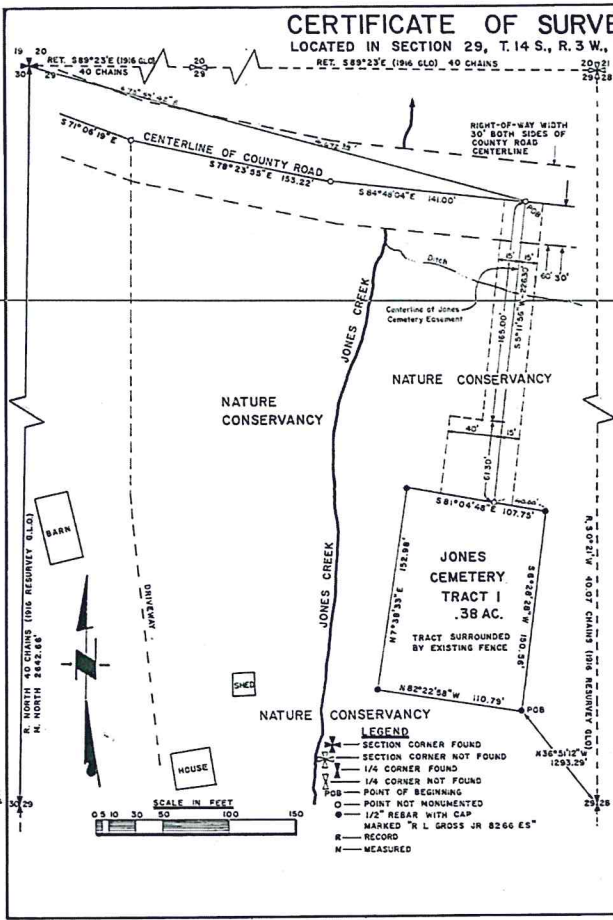
LOCATED IN SECTION 29, T 14 S., R 3 W., R.M.M., BEAVERHEAD COUNTY, MONTANA

OPERATION OF LAW

DRAWING NUMBER
COS 615

DRAWING NUMBER
158537

NUMBER



PURPOSE OF SURVEY
76-3-401 (3) The purpose of this survey is to create a parcel of land to be used for cemetery lots.

CERTIFICATE OF PROPERTY OWNER
I, Raymond L. Cross Jr. do hereby certify that we own the parcel of land herein described.

LEGAL DESCRIPTION OF TRACT I
Commencing from the 1/4 section corner of sections 29 and 28, T 14 S., R 3 W., P.M.M., a brass cap on an iron pipe, thence N 36° 51' 12" W., a distance of 129.29' to a 1/2" rebar with aluminum cap marked "R. L. CROSS JR 8266 ES", set beside a fence post, said point being the point of beginning for Jones Cemetery Tract I, thence POINT CORNER 3 82° 21' 20" N., a distance of 110.79' to a 1/2" rebar with aluminum cap marked "R. L. CROSS JR 8266 ES", set beside a fence post, thence POINT CORNER 3 79° 33' 3" E., a distance of 150.90' to a 1/2" rebar with aluminum cap marked "R. L. CROSS JR 8266 ES", set beside a fence post, thence POINT CORNER 3 81° 04' 48" E., a distance of 107.75' to a 1/2" rebar with aluminum cap marked "R. L. CROSS JR 8266 ES", set beside a fence post, thence POINT CORNER 3 69° 21' 28" N., a distance of 150.56' to the point of beginning, said point being the south east corner of the tract. The Jones Cemetery Tract contains .38 acres.

LEGAL DESCRIPTION OF THE JONES CEMETERY PARCELS
Commencing from the section corner of sections 19, 20, 29, and 30, T 14 S., R 3 W., P.M.M., a rock marked as described in the 1916 and records, thence S 78° 19' 48" E., a distance of 124.00' to a point in the centerline of the county road being the point of beginning for the Jones Cemetery parcels, thence S 11° 04' W., a distance of 226.30' to a point on the northern line of the Jones Cemetery Tract I, said point bears S 41° 42' 18" E., 40.00' feet from the southeast corner of tract I. Tract widths are as shown on this plat.

BASIS OF BEARING
The basis of bearing for this survey is the 1916 C.L.D. re-survey of the north 1/2 of the west 1/4 section line of sections 29, T 14 S., R 3 W., P.M.M. to the bearing of the section line between the 1/4 section corner of sections 29 and 30 and the section corner of sections 19, 20, 29, and 30.

NOTES
The angles and distances were measured using a tan second theodolite, electronic distance measuring instrument, and steel chain.
The field survey was completed October, 1987.
The monuments set by this survey are 1/2" x 24" rebar with 1 1/2" aluminum cap marked "R. L. CROSS 8266 ES".

CERTIFICATE OF SURVEYOR
I, the undersigned, Raymond L. Cross Jr., Surveyor, do hereby certify on October 1, 1988, under my supervision this land was surveyed and plotted the same as shown on the accompanying plat, and in accordance with the provisions of the Montana Subdivision and Platting Act, Sections 76-3-401 through 76-3-405, M.C.A., and the Beaverhead County Subdivision Regulations.
Dated this 20th day of November, A.D. 1988
Raymond L. Cross Jr. Reg. No. 8266

CERTIFICATE OF EXAMINATION
Checked for errors and omissions in drafting and calculations only
Dated this 10th day of January, A.D. 1988
Michael H. J.

CERTIFICATE OF COUNTY TREASURER
I hereby certify, pursuant to section 76-3-401 (1) (b), M.C.A., that no real property taxes assessed and levied on the land described on this plat are delinquent.
Dated this 27th day of August, A.D. 1988
Michael H. J.

CLASS AND RECORDS 158537

I, Michael H. J. Clerk and Recorder of Beaverhead County, Montana do hereby certify that the foregoing instrument was filed in my office this 20th day of November, 1988, in the records of the County.
Clerk and Recorder Beaverhead County, Montana.
COS No. 118

TRACT I, LOCATED IN THE NE 1/4 SECTION 29

JONES CEMETERY

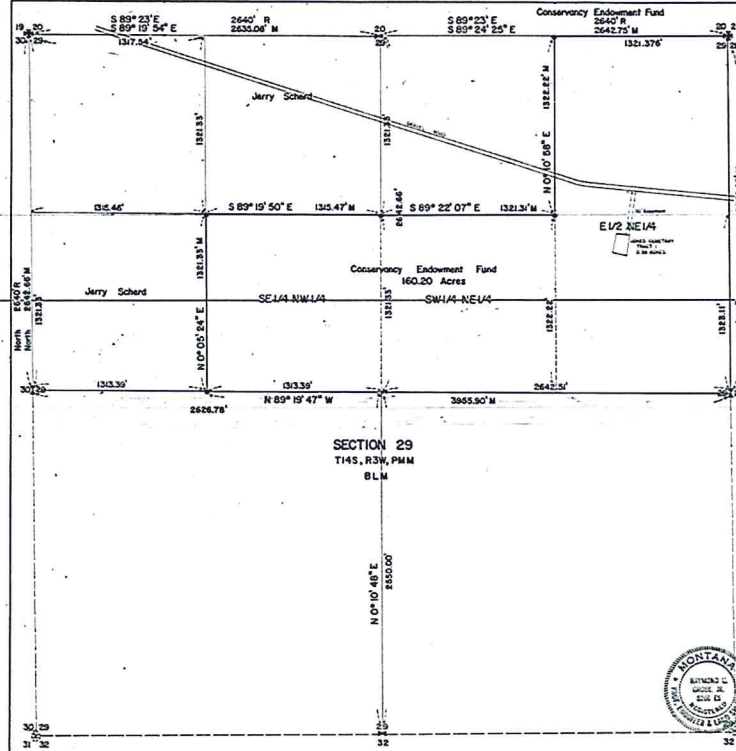
NE 1/4 SECTION 29
T 14 S., R 3 W., P.M.M.
DRAWN NOV. 10, 1987 BY JCS

SHEET 1 OF 1 SCALE 1" = 40'

615

22

311
DRAWING NUMBER
CAD 69
1 of 1
311



CERTIFICATE OF SURVEY

Due to the Existing Land Surveyor signing in the Clerk and Recorder's signature block the Clerk and Recorder signed in the Existing Land Surveyor's signature block.

Record for compliance with Montana, CMES and Beaverhead County Subdivision Act.
Done at Helena, Montana
this 17th day of December, 1990
Raymond G. Cross, Jr.
Surveyor

PURPOSE OF SURVEY.
This survey was performed to establish physical boundary lines for patented land previously created in accordance with federal statute. The new parcels of land are created by this survey, therefore this survey is not subject to review as a subdivision pursuant to the Montana Subdivision and Platting Act nor review by the Department of Health and Environmental Sciences, but is subject to survey requirements of the Montana Subdivision and Platting Act pursuant to 76-3-404 (1)(a), M.C.A.

LEGAL DESCRIPTION.
E 1/2, SW 1/4, SE 1/4 Section 29, Township 14 South, Range 3 West, P.M.M., 160.20 Acres.

NOTES.
The basis of bearing of this survey is the 1916 G.L.S. survey of the north of the west section line of Section 29, T14S, R3W, P.M.M.
This survey was completed November 29, 1990.

CERTIFICATE OF EXAMINATION.
Checked for errors and omissions in drafting and calculations only.
Dated this 17th day of December, A.D., 1990
Raymond G. Cross, Jr.
Surveyor

CERTIFICATE TO SURVEYOR.
I, the undersigned, RAYMOND G. CROSS, JR., Surveyor, do hereby certify that the above survey was performed and finished on or about the 29th day of November, A.D., 1990, in accordance with provisions of the Montana Subdivision and Platting Act, Sections 76-3-401 through 76-3-407, M.C.A.
Dated this 17th day of December, A.D., 1990.
Raymond G. Cross, Jr., Surveyor



LEGEND
⊗ G.L.S. Section corner not searched for.
⊙ Found Record G.L.D. section corner.
⊕ Found Record G.L.D. quarter section corner.
1/2" x 24" rebar with plastic cap marked RAY GROSS 8266 ES, set this survey.
SCALE 1"=400'

CLERK AND RECORDER
I, Mark J. Houch, Clerk and Recorder of Beaverhead County, Montana do hereby certify that the foregoing instrument was filed in my office this 17th day of December, 1990, in the records of the County Clerk and Recorder Beaverhead County, Montana.
CCS No. 18265

Certificate of Survey No. 196
Raymond G. Cross, Jr. Professional Engineer & Land Surveyor
BOUNDARY SURVEY OF
E 1/2 NE 1/4, SW 1/4 NE 1/4, SE 1/4 NW 1/4
SECTION 29, T14S, R3W, PMM
BEAVERHEAD COUNTY, MONTANA
FOR JOHN TAFT AND THE
CONSERVATION ENDOWMENT FUND

TRUSTEE'S DEED

This instrument is executed the 27 day of June, 1995, by JOHN E. TAFT, of 2158 Baldwin Road, Ojai, California 93023, in his capacity as Trustee for the JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990 and which said Trust continues to operate and exist, unamended.

JOHN E. TAFT, as Trustee, hereby sells, conveys, transfers and warrants to the party hereafter named that certain real property of said JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990, as hereafter described, pursuant to authority as provided by law and the terms of said Trust.

NOW, THEREFORE, for the purpose of completing said sale and transfer by and from said Trust, the undersigned Trustee hereby sells, conveys, transfers and warrants all of the right, title and interest of said JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990, Grantor, unto the HUNTSMAN RANCH COMPANY, a Montana Corporation, whose principal place of business is Beaverhead County, Montana, and whose mailing address is Box 240088, Dell, Montana 59724, Grantee, in and to the real property situated in Beaverhead County, Montana, and more particularly described as follows, to-wit:

See Exhibit "A" attached hereto and by this reference made a part hereof.

To have and to hold the same unto the said Grantee and its successors and assigns forever.

IN WITNESS WHEREOF, the undersigned executes and acknowledges this instrument as of the date above stated.

[Signature]
JOHN E. TAFT
Trustee of the JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990
GRANTOR

STATE OF Montana)
County of Madison) ss.

On this 27th day of June, 1995, before me, the undersigned Notary Public for the State of Montana, personally appeared JOHN E. TAFT, known to me to be the Trustee for the JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990, and acknowledged to me that he executed the same on behalf of the JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written



[Signature]
Notary Public of the State of Montana
Residing at Sheridan, MT
My Commission expires: 5/1/97

PLATTED
222501 INDEXED

STATE OF MONTANA - COUNTY OF BEAVERHEAD ss
Recorded on the 27 day of July
19 95 at 1:30
o'clock P. M. Foot 380 Page 43
By [Signature]
Notary Public
\$18.00 TED HALLGREN



EXHIBIT "A"

Real property situated in Beaverhead County, Montana, more particularly described as follows, to-wit:

Township 14 South, Range 3 West, P.M.M.
 Section 20: W $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, NW $\frac{1}{2}$ SE $\frac{1}{4}$
 Section 29: NE $\frac{1}{2}$ NE $\frac{1}{4}$ —

SUBJECT, HOWEVER, to any and all easements and/or rights-of-way existing in, over, under, upon or through said real property, or any part thereof, whether or not appearing of record; and **SUBJECT ALSO** to any and all reservations, covenants, restrictions and exceptions set out and contained in any patent, deed or other instrument of record, including, but not limited to, any instrument whereby said real property, or any part thereof, passed from public to private ownership; and **SUBJECT ALSO** to any and all reservations of minerals, oil, gas, coal and other hydrocarbons saved and produced from said real property, heretofore reserved by Grantor's predecessors in interest or Grantor.

RESERVING UNTO the Grantor, its successors, assigns, lessees, employees, guests and permittees, an exclusive continuous and perpetual right-of-way easement, 60 feet in width for purposes of ingress and egress suitable for all needs and purposes including, but not limited to, travel by motor vehicle, man, equipment, machinery, livestock, ranch products, and/or any and all utilities, and running from the South Centennial Valley County Road to the SE $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 29, T14S, R3W, over, along, upon, across and through the Easternmost 60 feet of the NE $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 29, T14S, R3W, the same being a portion of the tracts hereby conveyed as well as the right to construct, maintain, surface, rebuild, improve, plow, mow, grade, engineer, riprap and repair the roadway and install and maintain culverts, cattleguards, gates and bridges within the easement boundaries.

This 60-foot wide right-of-way easement shall be appurtenant to the SW $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 28 and the SE $\frac{1}{2}$ NW $\frac{1}{4}$ and S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 29, T14S, R3W, being retained by Grantor and shall pass with said real property.

IT IS UNDERSTOOD that Grantor, its successors and assigns, intend, at some time in the future, to apply for permits from the Montana Department of Natural Resources and Conservation or other appropriate agencies, for a non-consumptive use of water and/or related ditch, diversion, conveyance and maintenance rights to fill and maintain the water levels in up to two (2) fish/wildlife/duck ponds, of no more than 10 acre feet per pond, situated within SW $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 28, and/or SE $\frac{1}{2}$ NW $\frac{1}{4}$ or S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 29, T14S, R3W, M.P.M.

Grantee, for itself, its successors and assigns, has agreed to in no way object to or hinder, or assist or cooperate with any other party in objecting to, opposing or hindering, Grantor's, its assigns' or successors' applications for permits for such non-consumptive use of water and/or related ditch, diversion, conveyance and maintenance rights.

For the limited purpose of transporting and conveying water to said ponds, Grantor, its successors and assigns, hereby reserve the right to maintain ditches and diversions and divert and convey water through the existing ditch across and through the property of the Grantor from the diversion point located in SW $\frac{1}{2}$ SE $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 28, T14S, R3W, M.P.M., to said ponds.

Grantor, its successors and assigns shall be responsible for any maintenance, repairs or liability associated with their use of ditches or diversions for their non-consumptive use of water which may be permitted by the Montana DNRC.

ALSO RESERVING UNTO Grantor, its successors and assigns, an undivided one-half ($\frac{1}{2}$) of any and all minerals (including, but not limited to oil, gas, coal and carbonaceous materials) and

geothermal energy now possessed or owned by Grantor and situated in, under or upon and that may be produced from said real property and the royalties, bonuses and proceeds thereof, together with all incidental rights of ingress and egress for the purpose of finding, saving, treating, storing and removing any and all such oil, gas, coal, carbonaceous materials, other minerals and geothermal energy.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, including but not being limited to all water and water rights, ditches and ditch rights, including the right to maintain and convey water through the existing irrigation ditch across and through the property of the Grantor from the diversion point located in SW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 28, T14S, R3W, N.P.M., had, used or in any manner enjoyed in connection therewith, including, but not limited to, any and all interest Grantor may have in and to the following:

DNRC Claim Nos.: 41A-W095308-00 and 41A-W095307-00

DISCLAIMER: Grantor makes no warranty or guarantee of the foregoing water and/or ditch rights. Any decreed or claimed water rights and/or ditch rights are subject to readjudication by the Montana Water Courts and as a result of that process, may be limited, increased or otherwise readjudicated.

No warranties herein contained, either by express terms of this instrument or implication, shall apply to any claimed or actual water and/or rights.

RIGHT OF FIRST REFUSAL

FOR VALUE RECEIVED, JOHN E. TAFT, of 2153 Baldwin Road, Ojai, California 93023, in his capacity as trustee for the JOHN E. TAFT 1990 TRUST, U/C/T dated September 8, 1990, and which said Trust continues to operate and exist, unamended, hereinafter referred to as "TAFT", grants unto HUNTSMAN RANCH COMPANY, a Montana corporation, whose principal place of business is Beaverhead County, Montana, and whose mailing address is Box 240086, Dell, Montana 59724, hereinafter referred to as "HUNTSMAN", its successors and assigns, the right of first refusal to purchase any of that real property being located in Beaverhead County, Montana, and more particularly described as follows:

See Exhibit "A" attached hereto and by this reference made a part hereof.

including any improvements situated thereon and all water rights appurtenant thereto, at the same price and on the same terms and conditions as those contained in any bona fide offer from a third party which TAFT, its successors or assigns, are willing to accept. In the event that within twenty years and eleven months after the date of death of the last to die of Bill G. or Evan W. Huntsman, living on the date hereof, TAFT, or its successors or assigns, shall receive such an acceptable bona fide offer for all or a part of said real property and/or improvements, TAFT, its successors or assigns, shall notify HUNTSMAN, or its successors or assigns, in writing, by personal delivery or by registered mail, return receipt requested, of all of the terms of such offer, including, without limitation, the name of the offeror, a description of whatever rights are to be appurtenant to the real property and/or the improvements, if any, or the part thereof then being sold, and of whatever encumbrances are to burden the real property and/or improvements, or part thereof (including but not being limited to mineral, geothermal and/or timber reservations, conservation easements, etc.), the price offered, the terms of payment and the closing date. HUNTSMAN, or its successors or assigns, shall have thirty (30) days following receipt of such notice, to notify TAFT,

or its successors or assigns, that HUNTSMAN, or its successors or assigns are willing to purchase the real property and/or improvements, or such portion(s) thereof, on the same terms and conditions as contained in said bona fide offer, except that, if a note of the offeror is involved, HUNTSMAN, or its successors or assigns, will execute a note in replacement of a note of the offeror. Said notice, if any, from HUNTSMAN, or its successors or assigns, to TAFT, or its successors or assigns, shall be personally delivered or sent by registered mail, return receipt requested, to an address to be stated for such return in said notice, and shall be effective at the time delivered or mailed, postage prepaid, in a United States Post Office. If this right of first refusal is not exercised by HUNTSMAN, or its successors, or assigns, in the manner and within the time herein provided, or if, having exercised such right of first refusal, HUNTSMAN, or its successors or assigns, do not close title in accord with all the terms of said offer, this right of first refusal shall be deemed to have been waived as to the premises described in said notice and TAFT, or its successors or assigns, shall be free to sell to said bona fide offeror on the terms stated in said notice. If, however, HUNTSMAN, or its successors or assigns, have not exercised such right of first refusal, and if the premises described in said notice are not conveyed to the bona fide offeror in accord with the terms of said offer, the right of first refusal contained herein shall be reinstated. From and after the date of any conveyance, to a third party, by TAFT, or its successors or assigns, of any property described in any such notice from TAFT, or its successors or assigns, to HUNTSMAN, its successors or assigns, provided TAFT, or its successors or assigns, shall have followed the procedures herein required, and provided HUNTSMAN, or its successors or assigns, shall have failed to agree to match, or, having agreed, have failed to match, the terms of the offer in question, the real property and/or improvements, or any portion or portion(s) thereof, in the hands of said third party, and in the hands of said third party's heirs, or successors and assigns, shall be free of any right of first refusal in HUNTSMAN, or its successors and assigns, or any of them.

It is understood and agreed that any and all sales, transfers,

conveyances, exchanges or gifts, etc., between the John E. Taft 1990 Trust, John E. Taft, Conservation Endowment Fund, the issue, lineal descendants or spouse of John E. Taft, shall be exempt and excluded from this agreement.

Dated this 13 day of July, 1994.

[Signature]
JOHN E. TAFT, Trustee of the
JOHN E. TAFT 1990, U/O/T
dated September 8, 1990

STATE OF MONTANA)
County of Madison) SS.

On this 13th day of July, 1994, before me, the undersigned Notary Public, personally appeared JOHN E. TAFT, known to me to be the Trustee for the JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990, and acknowledged to me that he executed the same on behalf of the JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year first above written.

[Signature]
Notary Public of the State of MONTANA
Residing at Herdon, MT
My Commission expires 5/1/99



222605 INDEXED

STATE OF MONTANA - COUNTY OF BEAVERHEAD ss
Recorded on the 25 day of July
1994 at 1:31
of which M. Boyd is 280 Page 136-9
By *[Signature]* Deputy Recorder
\$ 24.00 TEB HARRIS



EXHIBIT "A"

Real property situated in Beaverhead County, Montana, more particularly described as follows, to-wit:

Township 14 South, Range 3 West, P.M.M.

Section 23: SW $\frac{1}{4}$ NW $\frac{1}{4}$

Section 29: SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{4}$ NE $\frac{1}{4}$

SUBJECT, HOWEVER, to any and all easements and/or rights-of-way existing in, over, under, upon or through said real property, or any part thereof, whether or not appearing of record; and **SUBJECT ALSO** to any and all reservations, covenants, restrictions and exceptions set out and contained in any patent, deed or other instrument of record, including, but not limited to, any instrument whereby said real property, or any part thereof, passed from public to private ownership; and **SUBJECT ALSO** to any and all reservations of minerals, oil, gas, coal and other hydrocarbons saved and produced from said real property, heretofore reserved by TAFT'S predecessors in interest or TAFT.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, including but not being limited to all water and water rights, ditches and ditch rights, and rights of way therefor, had, used or in any manner enjoyed in connection therewith.

TRUSTEE'S DEED

This instrument is executed the 30 day of July, 1995, by JOHN E. TAFT, of 2158 Baldwin Road, Ojai, California 93023, in his capacity as Trustee for the JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990 and which said Trust continues to operate and exist, unamended.

JOHN E. TAFT, as Trustee, hereby sells, conveys and transfers to the party hereafter named that certain real property of said JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990, as hereafter described, pursuant to authority as provided by law and the terms of said Trust.

NOW, THEREFORE, for the purpose of completing said sale and transfer by and from said Trust, the undersigned Trustee hereby sells, conveys and transfers all of the right, title and interest of said JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990, Grantor, unto MELODY ANN TAFT, an individual, of 2158 Baldwin Road, Ojai, California 93023, as her sole and separate property, Grantee, in and to the real property situated in Beaverhead County, Montana, and more particularly described as follows, to-wit:

See Exhibit "A" attached hereto and by this reference made a part hereof.

To have and to hold the same unto the said Grantee and the heirs and assigns of the Grantee, forever.

IN WITNESS WHEREOF, the undersigned executes and acknowledges this instrument as of the date above stated.

[Handwritten Signature]
JOHN E. TAFT
Trustee of the JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990
GRANTOR

STATE OF MONTANA)
County of BEAVERHEAD) ss.

On this 16th day of AUGUST, 1995, before me, the undersigned Notary Public, personally appeared JOHN E. TAFT, known to me to be the Trustee for the JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990, and acknowledged to me that he executed the same on behalf of the JOHN E. TAFT 1990 TRUST, U/O/T dated September 8, 1990.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year first above written.

[Handwritten Signature]
Notary Public of the State of MONTANA.
Residing at SHERIDAN, MT.
My Commission expires Oct. 6, 1997.



INDEXED
PLATTED

223018

STATE OF MONTANA - COUNTY OF BEAVERHEAD ss
Recorded on the 1st day of Sept
1995 at 11:01
o'clock AM Book 280 Page 1086+1087

By Douglas L. Smith Deputy Recorder
\$12.00
Douglas L. Smith
Box 66
Sheridan, MT 59749

EXHIBIT "A"

Real property situated in Beaverhead County, Montana, more particularly described as follows, to-wit:

Township 14 South, Range 3 West, P.M.M.

Section 28: SW $\frac{1}{4}$ NW $\frac{1}{4}$

Section 29: SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{4}$ NE $\frac{1}{4}$

SUBJECT, HOWEVER, to any and all easements and/or rights-of-way existing in, over, under, upon or through said real property, or any part thereof, whether or not appearing of record; and *SUBJECT ALSO* to any and all reservations, covenants, restrictions and exceptions set out and contained in any patent, deed or other instrument of record, including, but not limited to, any instrument whereby said real property, or any part thereof, passed from public to private ownership; and *SUBJECT ALSO* to any and all reservations of minerals, oil, gas, coal and other hydrocarbons saved and produced from said real property, heretofore reserved by Grantor's predecessors in interest or Grantor.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, including but not being limited to all water and water rights, ditches and ditch rights, and rights of way therefor, had, used or in any manner enjoyed in connection therewith.

25

AFTER RECORDING RETURN THIS ORIGINAL DOCUMENT TO:

MONTANA LAND RELIANCE
P.O. BOX 355
HELENA, MT 59624



292046 Bk 392 Pg 562 - 583
BEAVERHEAD COUNTY Recorded 1/25/2019 At 2:15 PM
Stacey Reynolds, Clk & Rcdr By *Stacey Reynolds*
Fee: \$ 154.00 Return to: MONTANA LAND RELIANCE
P.O. BOX 355 HELENA MT 59624



PLATED

DEED OF CONSERVATION EASEMENT

THIS GRANT DEED OF CONSERVATION EASEMENT ("Easement") is made this 22nd day of January, 2019, by MELODY ANN TAFT, of 2158 Baldwin Road, Ojai, California 93023 (hereinafter together with her heirs, personal representatives, successors, and assigns collectively referred to as "Grantor") and THE MONTANA LAND RELIANCE, a nonprofit Montana corporation with a principal office at 324 Fuller Avenue, Helena, Montana 59601 (hereinafter referred to as "Grantee");

RECITALS:

1. Grantor is the owner of certain real property in Beaverhead County, Montana, more particularly described in Exhibit A attached hereto and incorporated by this reference (hereinafter the "Property"), and the Property totals approximately 160 acres; and,
2. The Property consists of significant open-space land, as defined in the Open-Space Land and Voluntary Conservation Easement Act, Montana Code Annotated (MCA) Section 76-6-101, et seq.; and,
3. Preservation of the Property by this Easement will yield significant public benefits to the people of the State of Montana, Beaverhead County, and the United States by protecting, preserving, and providing the following significant resources, in perpetuity, in compliance with Sections 76-6-101, et seq., MCA, and with Sections 170(h)(4)(A), 2055, and 20552 of the Internal Revenue Code;
 - a. Open-space lands which maintain the rural, agricultural, and natural scenic qualities of the area and provide opportunities to continue traditional farming and ranching practices in perpetuity, as encouraged and supported by clearly delineated land conservation policies of the federal government, and of the State of Montana, and local land conservation policies adopted in Beaverhead County, Montana, as set forth in more detail below; and,
 - b. Scenic views of historic Montana landscapes and working agricultural lands in the Centennial Valley that are enjoyed by members of the general public traveling on Highway 509 (South Valley Road) that borders a portion of the Property, and by the general public recreating on adjacent public lands; and,



c. Retention of significant open space for a variety of other uses, including for the benefit of fish and wildlife, including, but not limited to, moose, black bear, elk, mountain lion, mule and white-tail deer, raptors, owls, sage grouse, and many other bird species, all of which use the Property;

(hereinafter collectively referred to as the "Conservation Values"); and,

4. The Beaverhead County, Montana, Commissioners have expressly recognized in the Beaverhead County Growth Policy, adopted in May, 2013, the importance of preserving open space and agricultural lands in Beaverhead County, Montana, as a result of rapid urban and suburban development of formerly rural lands; and,

5. The Beaverhead County Growth Policy specifically encourages use of conservation easements to preserve open space and agricultural lands in the area; and,

6. This Property is in the vicinity of private lands permanently protected by other conservation easements in the Centennial Valley, which is a major focal area of private land conservation in Montana, and therefore, the proposed open-space use is consistent with existing private conservation programs in the area and will provide significant public benefit consistent with Treasury Regulation §1.170A-14(d)(4)(iv)(A)(4); and,

7. The Property is located immediately adjacent to, and shares boundaries with lands owned and administered by the U.S. Bureau of Land Management for conservation purposes, and therefore, the proposed open-space use is consistent with public programs for conservation in the region and will provide significant public benefit consistent with Treasury Regulation §1.170A-14(d)(4)(iv)(3); and,

8. Grantor, as the owner of the Property, owns the rights to identify, preserve, and protect in perpetuity the Conservation Values of the Property, which are of great importance to Grantor and to the public, and are worthy of preservation in perpetuity; and,

9. By conveying this Easement and its associated rights to Grantee, freely, voluntarily, and irrevocably, Grantor intends to preserve and protect in perpetuity the Conservation Values of the Property; and,

10. The State of Montana has recognized the importance of private efforts toward voluntary conservation of private lands in the state by the enactment of MCA Sections 76-6-101, et seq., and 76-6-201, et seq.; and,

11. Grantee is a qualified organization under MCA Sections 76-6-104(5) and 76-6-204, organized to conserve land for open-space purposes, and is an organization described in Section 170(h)(3) of the Internal Revenue Code of 1986 (hereinafter the "Code") qualified to receive and hold conservation easements;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Easement, and as an absolute, unconditional, unrestricted, and voluntary gift, Grantor hereby gives, grants, and conveys to Grantee, and the successors and assigns of Grantee, with warranties of title, this perpetual Easement on, over, and across the Property in accordance with the terms and conditions set forth below. Grantee acknowledges that no goods or services were

received in consideration of the grant of this Easement, which Grantee received as of the date noted on page 1 of this Easement.

SECTION I
Purposes and General Effect of Easement

A. **Purposes.** The purposes of this Easement are to assure that the Conservation Values will be maintained in perpetuity and to prevent any use of, or activity on, the Property that will significantly impair those Values. In achieving these purposes, it is the mutual intention of Grantor and Grantee to permit the continuation of such uses of the Property as may be conducted consistent with the purposes and terms of this Easement. If one or more of the purposes of this Easement may no longer be accomplished, such failure of purpose shall not be deemed sufficient cause to terminate the entire Easement as long as any other purposes of the Easement may be accomplished. Grantor and Grantee recognize that changes in economic conditions, in technologies, in accepted farm, ranch, and forest management practices, and in the situation of Grantor may result in an evolution of land uses and practices related to the Property which are allowed, provided that such uses and practices are consistent with the purposes and terms of this Easement.

B. **Perpetual restrictions.** This Easement shall run with and burden title to the Property in perpetuity and shall bind Grantor and all future owners and tenants.

C. **Dedication.** The Property is hereby declared to be open space pursuant to MCA Section 76-6-107, and may not, except as specifically provided herein and pursuant to statute, be converted or diverted from open space.

SECTION II
Rights Conveyed

The rights conveyed by this Easement to Grantee are the following:

A. **Identification and protection.** To identify, preserve, and protect in perpetuity the Conservation Values of the Property, including, but not limited to, its significant open-space and scenic values, subject, however, to Grantor's reserved rights as herein provided and further subject to all third party rights of record in the Property existing at the time of conveyance of this Easement and not subordinated to this Easement.

B. **Access.** To enter upon the Property to inspect the same and to monitor Grantor's compliance with the terms of this Easement, all in a manner that will not unreasonably interfere with the use of the Property by Grantor. Grantee shall also have the right to enter the Property to enforce the rights granted to Grantee in this Easement, and Grantor therefore conveys to Grantee a right of immediate entry onto the Property if, in Grantee's sole judgment, reasonably exercised, such entry is necessary to prevent damage to or destruction of the Conservation Values protected by this Easement. Aside from the rights of access granted to Grantee in the preceding sentences of this paragraph B, this Easement does not grant to Grantee, nor to the public, any rights to enter upon the Property.

C. **Injunction and restoration.** To enjoin any activity on, or use of, the Property which is inconsistent with the purposes and terms of this Easement and to enforce the reasonable restoration of such areas or features of the Property as may be damaged by such activity or use.



SECTION III
Reserved Rights and Prohibited Uses

A. Reserved rights. Grantor reserves to herself and to her personal representatives, heirs, successors, and assigns, all rights accruing from her ownership of the Property, including the right to engage in or permit or invite others to engage in all uses of the Property that are not expressly prohibited herein, that do not destroy or impair the Conservation Values, and that are not inconsistent with the terms and purposes of this Easement. Without limiting the generality of the foregoing sentence, those uses and practices described in Exhibit B, attached hereto and incorporated by this reference, are expressly permitted.

B. Prohibited uses. Any activity on, or use of, the Property that is inconsistent with the terms and purposes of this Easement is prohibited. Without limiting the generality of the foregoing sentence, the activities and uses described in Exhibit C, attached hereto and incorporated by this reference, are expressly prohibited.

SECTION IV
Prior Notice by Grantor and Approval of Grantee

Any enterprise, use, or activity proposed to be done or undertaken by Grantor requiring Grantee's approval, consultation, notification, or mutual agreement (including any provision of Exhibit B or Exhibit C expressly requiring the prior approval of Grantee) may be commenced only after satisfaction of the notice and approval conditions of this Section IV.

A. Grantor's written request for approval. Prior to the commencement of any enterprise, use, or activity requiring Grantee's approval, Grantor must send Grantee written notice of Grantor's intention to commence or undertake such enterprise, use, or activity. Said notice must inform Grantee of all aspects of such proposed enterprise, use, or activity, including, but not limited to, the nature, siting, size, capacity, and number of structures, improvements, facilities, or uses, and the dates and duration of the activity or uses, as appropriate. The request must provide Grantee with an address to which Grantee's response should be sent, and the names and addresses of persons to contact about the request.

B. Grantee's address. Any request for approval of a proposed enterprise, activity, or use shall be either:

- (i) delivered in person with a signed and dated proof of delivery, or
- (ii) sent by registered or certified mail, return receipt requested, or
- (iii) sent by Federal Express or other reputable carrier or delivery service, provided that the sender obtains a signed proof of delivery.

Grantor's requests for approval shall be delivered to Grantee at 324 Fuller Avenue, Helena, MT 59601, or if sent by United States Mail, shall be addressed to Grantee at P.O. Box 355, Helena, MT 59624, or to such other address as Grantor from time to time may be informed of in writing by Grantee.

C. Time for Grantee's response. Grantee shall have thirty (30) days from Grantee's receipt of a request for approval, as indicated by the date of delivery receipt, to review the proposed enterprise, use, or activity and to notify Grantor of any objection thereto. Nevertheless, the thirty (30) day period shall not begin until such time as Grantee has received adequate information from Grantor to evaluate the proposed activity. If Grantee requires additional information to evaluate the proposed activity, Grantee shall request the information from Grantor as soon as practicable and in any case not later than twenty (20) days after receiving the request for permission.

D. Grantee's response to requests for approval. Except as provided in paragraph E of this Section IV, only upon Grantee's express written approval may the proposed enterprise, use, or activity be commenced and/or conducted, and only in the manner explicitly represented by Grantor and approved by Grantee. Grantee's decision to approve or disapprove the activity proposed by Grantor shall be sent by registered or certified mail, return receipt requested, or by other delivery or courier service with proof of delivery, to Grantor at the address provided to Grantee in Grantor's request. A decision by Grantee to disapprove a proposed activity shall be based upon Grantee's reasonable determination that the proposed enterprise, use, or activity is inconsistent with the purposes or terms of this Easement. If, in Grantee's judgment, conformity with the purposes or terms of this Easement is possible, Grantee's response shall inform Grantor of the manner in which the proposed enterprise, use, or activity can be modified to be consistent with this Easement.

E. Grantee's failure to respond. If Grantee fails to respond to Grantor's request for approval within the response time set forth in paragraph C above, the proposed enterprise, use, or activity shall be deemed consistent with the purposes of this Easement, Grantee having no further right to object to the enterprise, use, or activity identified by such notice. Grantee's failure to respond to any individual request for approval shall not be deemed to be a waiver of any other duty and obligation of Grantor to seek prior approval for other specific activities for which Grantee's approval is necessary.

F. Acts beyond Grantor's control. Grantor shall be under no liability or obligation for any failure in the giving of notice with regard to any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property or to any person resulting from causes beyond Grantor's control, including, without limitation, fire, flood, storm, and earth movement, or from any other cause beyond the control of Grantor similar to those occurrences specified.

G. Rejection or refusal. Rejection or other refusal to accept notices, or objections, or approvals by any party hereto shall be deemed receipt thereof.

SECTION V Breach and Restoration

A. Grantee's remedies. If Grantee determines that Grantor, or third parties under Grantor's authority and control or acting with Grantor's knowledge or approval, are in violation of the terms of this Easement, Grantee shall give written notice to Grantor of such violation. In said notice of violation, Grantee shall demand corrective action by Grantor sufficient to cure the violation and, where the violation involves injury to the Property resulting from any use or activity inconsistent with the purposes and terms of this Easement, to restore the portion of the Property so injured to the condition that existed prior to the injury. If Grantor:



(i) fails to cure the violation within thirty (30) days after receipt of notice thereof from Grantee; or

(ii) under circumstances where the violation cannot reasonably be cured within a thirty (30) day period, fails to begin curing the violation within thirty (30) days (or within thirty (30) days of Grantor's receipt of notice from Grantee, fails to agree with Grantee in writing on a date by which efforts to cure such violation will reasonably begin); or

(iii) fails to continue diligently to cure such violation until finally cured,

Grantee may bring an action in a court of competent jurisdiction to enforce the terms of this Easement, to enjoin the violation by a temporary or permanent injunction, to require the restoration of the Property to the condition that existed prior to any such injury, and to recover any damages to which it may be entitled for violation of the terms of this Easement.

If Grantee, in its sole discretion, determines that a violation is threatened or imminent or that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values, Grantee may pursue its remedies under this paragraph without giving notice of violation required above and without waiting for the period provided for a cure to expire.

Grantee's rights under this paragraph apply equally in the event of either actual or threatened violations of the terms of this Easement, and Grantor agrees that Grantee shall be entitled to the injunctive relief described in this paragraph, both prohibitive and mandatory, in addition to such other relief to which Grantee may be entitled, including specific performance of the terms of this Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. If injunctive relief is inadequate to restore the Conservation Values as a result of a violation and to compensate Grantee and the public for the loss and damage to Grantee's rights, Grantee shall be entitled to recover damages for violation of the terms of this Easement or injury to any Conservation Value protected by this Easement including, without limitation, damages for the loss of open-space, scenic, aesthetic, or natural resource values. Without limiting Grantor's liability therefore, Grantee, in its sole discretion may apply any damages recovered to the cost of undertaking any corrective action on the Property. Grantee's remedies described in this paragraph shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.

B. Costs of enforcement. Any costs incurred by Grantee in enforcing the terms of this Easement against Grantor, including reasonable costs of suit and attorneys' fees, and any costs of restoration necessitated by Grantor's violation of the terms of this Easement shall be borne by Grantor.

C. Grantee's discretion. Enforcement of the terms of this Easement shall be at the discretion of Grantee, and any forbearance by Grantee in the exercise of its rights under this Easement in the event of any breach of any provision of this Easement by Grantor shall not be deemed or construed to be a waiver by Grantee of such provision or of any subsequent breach of the same or any other provision of this Easement or of any of Grantee's rights under this Easement. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor shall impair such right or remedy or be construed as a waiver.

D. Waiver of certain defenses. Grantor hereby expressly waives any defense of laches, estoppel, or prescription.



E. Acts beyond Grantor's control. Nothing contained in this Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the Property resulting from causes beyond Grantor's control including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes.

F. Mediation. If a dispute arises between the parties concerning the consistency of any use or activity with the terms or purposes of this Easement, and if Grantor agrees not to proceed with the use or activity pending resolution of the dispute, either party may request in writing to the other that the matter be mediated. Within fifteen (15) days of the receipt of such a request, the two parties may jointly appoint a single independent third-party mediator to hear the matter. Each party shall pay an equal share of the mediator's fee. In referring any matter arising under this Easement to mediation, Grantor and Grantee agree that mediation offers an alternative to the expense and time required to resolve disputes by litigation and is therefore often preferable to litigation. Nevertheless, mediation pursuant to this Section V, paragraph F, shall be voluntary, and this mediation provision shall not be interpreted as precluding or limiting the parties from seeking legal or equitable remedies available under this Section V.

SECTION VI
Costs and Taxes

Grantor shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Property, including responsibility for the control of noxious weeds in accordance with Montana law. Grantor shall pay any and all taxes, assessments, fees, and charges levied by competent authority on the Property, except any tax or assessment on this Easement. Any lawful tax or assessment on this Easement shall be paid by Grantee. Grantor shall also be responsible for and shall bear all costs associated with ensuring compliance with all federal, state, and local laws, regulations, rules, and ordinances.

SECTION VII
Indemnities

A. Control of risks associated with Property ownership. Grantor and Grantee acknowledge and agree that Grantor retains primary ownership of the Property and therefore Grantor controls day-to-day activities on, and access to, the Property, except for Grantee's limited rights to monitor the condition of the Conservation Values and to enforce the terms of this Easement. Except as specifically provided in paragraph C of this Section VII, Grantor therefore agrees that general liability for risks, damages, injuries, claims, or costs arising by virtue of Grantor's continued ownership, use, and control of the Property shall remain with Grantor as a normal and customary incident of the right of Property ownership.

B. Grantor's obligation to indemnify. Grantor agrees to hold harmless and indemnify Grantee from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, Grantee's reasonable attorneys' fees and costs of defense, arising from or in any way connected with:

(i) injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Property, regardless of cause, except as set forth in paragraph C below;

(ii) the obligations specified in Section VI; and

(iii) the obligations arising from past, present, or future presence of any hazardous substance on the Property, and any obligation associated with the generation, discharge, transport, containment, or cleanup of any such hazardous substance.

C. Grantee's obligation to indemnify. Grantee shall hold harmless and indemnify Grantor from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including reasonable attorneys' fees and costs of defense, arising from or in any way connected with injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Property, while Grantee is on the Property in the course of carrying out the duties and obligations of Grantee under the terms of this Easement.

D. Definitions. For the purposes of this Section VII, Grantor's and Grantee's agreement to hold harmless and indemnify will extend to their respective directors, members, partners, officers, employees, and agents and their heirs, personal representatives, successors, and assigns. The term "hazardous substance" shall mean any chemical, compound, material, mixture, or substance that is now or hereafter defined or classified as hazardous or toxic by federal, state, or local law, regulation, or ordinance. Nothing in this Easement shall be construed as giving rise to any right or ability in Grantee to exercise physical or managerial control over activities on the Property or to become an "owner" or "operator" of the Property within the meaning of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §9601 *et seq.* ("CERCLA"), or the Montana Hazardous Waste Act, Sections 75-10-401, *et seq.*, and 75-10-601 *et seq.*, MCA, and its successor statutes, and similar state and federal statutes.

SECTION VIII Assignment of Easement

Grantee may transfer or assign this Easement, provided that any such assignment or transfer must be made to a "qualified organization," within the meaning of Section 170(h)(3) of the Code, and a "qualified private organization," within the meaning of Sections 76-6-104(5) and 76-6-204, MCA, and, furthermore, the assignee must be organized or operated primarily or substantially for one or more of the conservation purposes specified in Section 170(h)(4)(A) of said Code. Any such qualified organization must agree in the assignment instrument to enforce in perpetuity the conservation purposes of this Easement. In the event assignment of this Easement becomes necessary, Grantee shall seek an assignee which is mutually acceptable to Grantee and Grantor. Grantee agrees that it will make a reasonable effort in the event of any assignment to suggest an assignee which is a qualified organization other than a governmental unit referred to in Section 170(c)(1) of the Code, which has conservation of open space as a substantial organizational purpose, and Grantee further represents to Grantor that its present intention is to assign its interest in this Easement only in connection with a dissolution of Grantee.

SECTION IX Documentation

Grantor has made available to Grantee, prior to the execution of this Easement, information sufficient to document the condition of the Property, including the condition of its

Conservation Values, at the time of the grant of this Easement. This information is based in part upon a site visit to the Property by Grantee or Grantee's agents on October 18, 2018, and consists of mapping of physical features and resources, photographs of structures, developments, and improvements, and gathering of other appropriate information to document the Conservation Values of the Property as of the date of this Easement. The parties have signed a written acknowledgment, attached hereto as Exhibit D and incorporated by this reference, that the information gathered accurately represents the condition of the Property as of the date of the grant of this Easement. This information shall be compiled and developed into a final Resource Documentation Report, supplemented with aerial photographs, historical, archival, and government documents, as appropriate and available, as soon as is practically feasible after the grant of this Easement. The Resource Documentation Report shall be maintained on file with Grantee. The parties intend that the Resource Documentation Report shall be used by Grantee to monitor Grantor's future uses of the Property and practices thereon. The parties agree that, in the event a controversy arises with respect to the condition of the Conservation Values, the parties shall not be foreclosed from utilizing any other relevant document, survey, or report to assist in the resolution of the controversy. The parties further agree that if the Resource Documentation Report contains any summaries of, or representations about, the terms or conditions of this Easement, including Exhibit E hereof, any conflict or inconsistency between the terms and conditions of this Easement and the Resource Documentation Report shall be governed by the express terms and conditions herein and not in the Resource Documentation Report.

SECTION X

Extinguishment: Grantee's Entitlement to Proceeds

A. Extinguishment. If circumstances arise in the future which render the purposes of this Easement impossible or impractical to accomplish, this Easement may be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction, and the amount of the compensation to which Grantee shall be entitled from any sale, exchange, or involuntary conversion of all or any portion of the Property, subsequent to such termination or extinguishment, shall be determined, unless otherwise provided by Montana law at the time, in accordance with paragraph B of this Section X. Grantee shall use any such proceeds received from easement termination in a manner consistent with the conservation purposes of this Easement.

B. Compensation. This Easement constitutes a real property interest immediately vested in Grantee. If this Easement is terminated or extinguished pursuant to paragraph A or C of this Section X, Grantor agrees that Grantee shall be compensated for the fair market value of its property right. In such event, Grantee, on the subsequent sale, exchange, or condemnation of the Property after termination or extinguishment of the Easement, shall be entitled to a portion of the proceeds equal to the fair market value of the Easement, or any part thereof which is terminated, extinguished, or condemned, as of the date of subsequent sale, exchange or condemnation of the Property. Grantor and Grantee agree that they shall endeavor in good faith to reach mutual agreement on the proceeds to which Grantee shall be entitled if the Easement is terminated or extinguished without the need for appraisal. If mutual agreement cannot be reached by the parties, an appraisal of the value of the Easement that has been terminated or extinguished shall be conducted by a licensed, certified real-estate appraiser, who is acceptable to both parties. The appraiser shall apply all applicable appraisal standards for conservation easements which are contained in the Internal Revenue Code, and Treasury Regulations promulgated thereunder, at the time of the Easement termination, extinguishment,

or condemnation, or by any other method agreed to by Grantor and Grantee. Grantor and Grantee shall share equally the cost of any appraisal pursuant to this paragraph.

C. Eminent domain. If all or a portion of the Property is taken for a public purpose in the exercise of eminent domain so as to abrogate the restrictions imposed by this Easement, Grantor and Grantee may join in appropriate actions to recover the value of each party's interest in the Property (or portion thereof) taken, as established in paragraph B of this Section X, including the value of Grantee's Easement as it pertains to the condemned property at the time of the taking or condemnation. Grantor and Grantee shall be entitled to any incidental or direct damages resulting from such taking or condemnation, in proportion to their interest in the rights which are taken or condemned and for which such damages are awarded. Proceeds shall be divided between Grantor and Grantee in proportion to their interest in the Property, or portion thereof, as established by paragraph B of this Section X, and Grantee shall use any such proceeds received from easement condemnation in a manner consistent with the conservation purposes of this Easement.

SECTION XI

Grantor's Representations and Warranties

Grantor represents and warrants that, after reasonable investigation and to the best of her knowledge, as of the date of the conveyance of this Easement:

A. Grantor has clear title to the Property; Grantor has the right to convey this Easement to Grantee, and the Property is free and clear of any encumbrances, except those encumbrances that have been expressly approved by Grantee.

B. Any handling, transportation, storage, treatment, or use of any substance defined, listed, or otherwise classified pursuant to any federal, state, or local law, regulation, or requirement as hazardous, toxic, polluting, or otherwise contaminating to the air, water, or soil, or in any way harmful or threatening to human health or the environment, that has occurred on the Property prior to the date of this Easement has been in compliance with all applicable federal, state, and local laws, regulations, and requirements. No deposit, disposal, or other release of any hazardous substance has occurred on or from the Property, in violation of applicable law.

C. No underground storage tanks are located on the Property, whether presently in service or closed, abandoned, or decommissioned, and no underground storage tanks have been removed from the Property in a manner not in compliance with the applicable federal, state, and local laws, regulations, and requirements.

D. Grantor and the Property are in compliance with all federal, state, and local laws, regulations, and requirements applicable to the Property and its use.

E. There is no pending or threatened litigation in any way affecting, involving, or relating to the Property, other than the ongoing statewide adjudication of water rights in Montana.

F. No civil or criminal proceedings or investigations have been instigated at any time or are now pending, and no notices, claims, demands, or orders have been received, arising out of any violation or alleged violation of, or failing to comply with any federal, state, or local law, regulation, or requirement applicable to the Property or its use, nor do there exist any facts

or circumstances that Grantor might reasonably expect to form the basis for any such proceedings, investigations, notices, claims, demands, or orders.

SECTION XII
Miscellaneous Provisions

A. Partial invalidity. If any provision of this Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions of this Easement and the application of such provisions to persons or circumstances other than those as to which it is found to be invalid shall not be affected thereby.

B. "Grantor" and "Grantee". The terms "Grantor" and "Grantee," as used herein, and any pronouns used in place thereof, shall mean and include the above-named Grantor and her heirs, personal representatives, executors, successors in interest, and assigns, and The Montana Land Reliance and its successors and assigns, respectively.

C. Titles. Section and paragraph titles and subtitles are for convenience only and shall not be deemed to have legal effect.

D. Subsequent transfers. Grantor agrees that reference to this Easement and reference to its dates and places of recording in the public records of Beaverhead County will be made in any subsequent deed or other legal instrument by which they convey any interest in the Property, including any leasehold interest. Grantor agrees to incorporate the terms and conditions of this Easement by express recording reference to the Easement in any deed by which Grantor conveys title to the Property.

E. Subordination. No provision of this Easement is to be construed as impairing the ability of Grantor to use the Property as collateral for any loan, provided that any mortgage or lien arising after the date of execution of this Easement shall be subordinate to the terms of this Easement.

F. Notice of suit. Grantor must immediately provide Grantee with notice of any lawsuit or administrative action involving the Property or which threatens the integrity of this Easement. Notice must be sent to Grantee's address in Section IV, paragraph B, and must include a copy of any lawsuit or administrative action filed. Grantor agrees not to object to Grantee's intervention in any such lawsuit or action. Such lawsuit or action can include, but is not limited to, quiet title action, partition, condemnation or eminent domain, foreclosure, environmental clean-up or enforcement, or any other lawsuit or action affecting the Property and/or potentially affecting the Conservation Values protected by this Easement.

G. Governing law. In the event any dispute arises over the interpretation or enforcement of the terms and conditions of this Easement, the laws of the State of Montana shall govern resolution of such dispute, without regard to conflict of laws.

H. Amendment. If circumstances arise under which an amendment to or modification of this Easement would be appropriate, Grantor and Grantee may jointly amend this Easement; provided that no amendment shall be allowed that will affect the qualifications of this Easement under any applicable laws, including MCA Section 76-6-101, *et seq.*, and the Code. Any amendment must be consistent with the conservation purpose of this Easement, must not affect its perpetual duration, and either must enhance, or must have no effect on, the Conservation Values which are protected by this Easement. Furthermore, any amendment

must not result in prohibited inurement or private benefit to Grantor or any other parties. Any Easement amendment must be in writing, signed by both parties, and recorded in the public records of Beaverhead County.

I. Conservation intent. Any ambiguities in this Easement shall be construed in a manner which best effectuates protection and preservation of the Conservation Values and the policy and purposes of MCA Section 76-6-101, et seq. The parties acknowledge that each party and its counsel have reviewed and revised this Easement and that no rule of construction that ambiguities are to be resolved against drafting party shall be employed in the interpretation of this Easement.

J. Entire agreement and merger of previous understanding. This Easement, including all Exhibits attached hereto, constitutes the entire understanding between the parties hereto with respect to Grantor's grant of this Easement on and over the Property described in Exhibit A, and all prior or contemporaneous negotiations, communications, conversations, understanding, and agreements had between the parties hereto, oral or written, are merged in this Easement.

K. Disclaimer. Grantee does not warrant, guarantee, or otherwise offer any assurance as to the deductibility, if any, of the contribution of this Easement, or its qualification under any applicable state or federal laws. Grantor has been advised by Grantee to secure qualified independent legal and tax advice, and Grantor has had ample opportunity to do so.

L. Separate counterparts. This instrument may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same agreement.

TO HAVE AND TO HOLD all and singular the above-described Easement unto Grantee and its successors and assigns, in perpetuity.

IN WITNESS WHEREOF, Grantor and Grantee have hereunto set their hands.

GRANTOR:

Melody Ann Taft
MELODY ANN TAFT

STATE OF CALIFORNIA)
 County of VENTURA) : ss.

This instrument was signed or acknowledged before me on 1/16/2019, by Melody Ann Taft.

Michelle R. Pitt-McQueen
 (Notary's Signature)

Affix seal/stamp as close to signature as possible.

MICHELLE R. PITT-MCQUEEN
 Commission # 2141250
 Notary Public - California
 Ventura County
 My Comm. Expires Jan 31, 2020

GRANTEE:

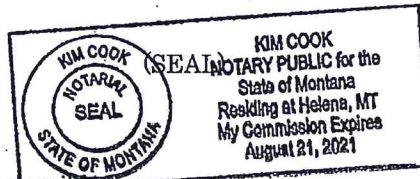
THE MONTANA LAND RELIANCE,
a corporation

By: George S. Olsen President
[Name and title]

STATE OF Montana)
County of Lewis & Clark) ss.

This instrument was signed or acknowledged before me on
January 22, 2019, by George S. Olsen acting in the capacity of
President on behalf of The Montana Land Reliance.

Kim Cook
(Notary's Signature)



Affix seal/stamp as close to signature as possible.

EXHIBIT A
LEGAL DESCRIPTION

Township 14 South, Range 3 West, P.M.M., Beaverhead County, Montana

Section 28: SW $\frac{1}{4}$ NW $\frac{1}{4}$

Section 29: S $\frac{1}{2}$ NE $\frac{1}{4}$; SE $\frac{1}{4}$ NW $\frac{1}{4}$

Deed Reference: 280/1086

ALL OF THE FOREGOING DESCRIBED PROPERTY IS CONVEYED SUBJECT TO all third party rights of record in the Property existing at the time of conveyance of this Easement and not subordinated to this Easement.

EXHIBIT B
PERMITTED USES AND PRACTICES

The following uses and practices, though not an exhaustive recital of consistent uses and practices, are hereby deemed to be consistent with the purposes of this Easement and are expressly permitted:

1. Livestock. Grantor retains the right to raise and use livestock on the Property for personal enjoyment and recreation, however, any structures for the confinement of said livestock (i.e., barns, corrals, loafing sheds) must be located within the Building Envelope provided for below in paragraph 4.

2. Recreational use. To use the Property for non-commercial recreational activities, including, but not limited to, hunting of game animals and birds, fishing, hiking, wildlife viewing, and quiet enjoyment by Grantor and invitees, provided that all such recreational activities on the Property must remain consistent with protection and preservation of the Conservation Values.

3. Water resources. To maintain, enhance, and develop water resources on the Property for permitted agricultural uses, fish and wildlife uses, domestic needs, and private recreation. Permitted uses include, but are not limited to, the following: the right to restore, enhance, and develop water resources, including ponds; to locate, construct, repair, and maintain irrigation systems; and to develop stock watering facilities.

4. Structures and Building Envelopes. To construct, maintain, repair, remodel, and make limited additions to, and in the event of their removal or destruction, to replace the following structures on the Property:

a. Residential dwelling units. For the purpose of this Easement, the term "residential dwelling unit" means a structure, or a portion thereof, with sleeping accommodations and kitchen facilities that is provided, used, constructed, converted, remodeled, added onto, or replaced for habitation or occupation by one or more people. The definition of such "residential dwelling units" includes, but is not limited to, residences, apartments or suites that are a part of non-residential outbuildings as set forth in subparagraph 4b below, guest houses, employee houses, and cabins if they contain kitchens and sleeping accommodations. No more than three (3) residential dwelling units, including the one (1) existing residential dwelling unit and two (2) additional residential dwelling units are permitted on the Property. All residential dwelling units, and replacements thereof, if any, must be located within the designated Building Envelope defined in subparagraph 4c below and must be constructed on permanent foundations. Mobile homes, trailers, or other moveable living units used for human habitation or occupancy are not permitted on the Property, except for the limited purposes set out in Exhibit C, paragraph 6. No other permanent habitations, living or sleeping quarters are permitted, except as provided in subparagraph 4d below.

b. Non-residential outbuildings. Non-residential outbuildings, including, but not limited to, barns, shelters, corrals, other agricultural facilities, garages, workshops, sheds, and recreational structures (hereinafter "non-residential outbuildings"). All non-residential outbuildings must be located within the designated Building Envelope defined in subparagraph 4c. For the purposes of this Easement, the term "non-residential outbuildings" does not include indoor riding arenas, which are expressly prohibited on the Property.

c. Building Envelope. The one (1) existing and two (2) additional permitted residential dwelling units and all their associated outbuildings must be located within the "Building Envelope" delineated in Exhibit E, attached hereto and incorporated by reference. The Building Envelope consists of approximately two (2) acres. The purposes of the Building Envelope are to allow Grantor flexibility in use of the residential dwelling units and non-residential outbuildings, to cluster residential uses and other structures on the Property, and to protect the Conservation Values. If necessary, wells and drain fields may be located outside of the Building Envelope.

d. Homestead cabin. At the time of this grant there is one (1) uninhabitable homestead cabin located within the Building Envelope delineated in Exhibit E. Grantor retains the right to repair and maintain the cabin at its existing size within the Building Envelope. If Grantor elects to upgrade the homestead cabin for use as a permanent residence in lieu of constructing one of the permitted new residential dwelling units, as provided in subparagraph 4(a), no replacement cabin is permitted on the Property.

5. Transfer of land. To grant, sell, exchange, devise, gift, dispose of, or otherwise convey or transfer (collectively "transfer") all or any portion of Grantor's right, title, estate, and interest in the Property in unified title and as one (1) parcel only, subject to the terms, conditions, rights, restrictions, and obligations contained in this Easement. Grantor shall furnish Grantee with a copy of any document or conveyance utilized to effect the transfer of the Property within thirty (30) days of the execution of said document or conveyance.

6. Timber removal. To remove select trees that present a hazard to persons or property, and to cut firewood, posts, and poles for non-commercial use. Except as provided in the following paragraph, all timber removed by Grantor pursuant to this paragraph 6, must be used or disposed of on the Property. All such timber removal activities must be conducted in a manner that protects and minimizes impact on the Conservation Values. In connection with the upkeep, maintenance, and repair of permitted structures, Grantor specifically reserves the right to clear brush, and prune, trim, and remove trees, and to plant trees, shrubs, flowers, and other native or non-native species for landscaping or gardening purposes, all within the Building Envelope described in paragraph 4 of this Exhibit B, without obtaining any approval from Grantee.

In the event of natural occurrences, such as disease, infestation, wildfire, or windthrow, or the threat of such occurrences, which may jeopardize the overall forest health and may require more than limited, selective harvest and will result in removal of the timber harvest product from the Property, Grantor must prepare for the review and approval of Grantee, pursuant to Section IV of this Easement, a timber harvest plan. The provisions of such a timber harvest plan must be designed to preserve and protect the Conservation Values and must be approved by Grantee in accordance with the terms and conditions of Section IV of this Easement. If approved by Grantee as part of a timber harvest plan, the product of any timber harvest may be removed from the Property and sold commercially in accordance with the terms of such plan.

7. Fences. To construct, maintain, and repair fences, including livestock fencing for temporary livestock management on the Property.

8. Roads. To repair, maintain, and improve existing roads on the Property. Grantor also reserves the right to construct, repair, improve, and maintain new roads in connection with access to the residential dwelling units and other structures, as permitted in this Exhibit B. Any new road that is constructed pursuant to this paragraph 8, must be sited and maintained consistently with the preservation and protection of the Conservation Values. Two-track and primitive roads may be created, used, and maintained on the Property for land management and recreational purposes, but shall at no time be improved or upgraded into graveled or paved roadways.

Grantor may grant right-of-way easements to appropriate governmental entities for the improvement and/or expansion of public roads bordering and/or traversing the Property, provided the governmental entity seeking the right-of-way easement documents the public necessity of such easement in accordance with the provisions of Title 70, Chapter 30 of the Montana Code Annotated and other applicable laws pertaining to condemnation of real property interests for public uses.

9. Utilities. Grantor retains the right to install utility structures, lines, conduits, cables, wires, or pipelines (hereafter "utilities" and "utility services") upon, over, under, within, or beneath the Property to existing and subsequently constructed structures and improvements that are expressly permitted on the Property by this Easement. Grantor retains the right to construct wind, solar, hydroelectric, geothermal, and other types of renewable energy generation facilities (hereafter "renewable energy production") within the Building Envelope defined in subparagraph 4c solely for uses on the Property as such uses are permitted by this Easement, except that any incidental surplus energy may be sold commercially for use off of the Property or credited to Grantor's utility service (net metering). Grantor also retains the right to grant right-of-way easements for utility services to neighboring properties, provided that any such new right-of-way easements do not significantly impair the Conservation Values protected by this Easement, pursuant to Treasury Regulation §1.170A-14(e)(2).

With the prior approval of Grantee pursuant to Section IV of this Easement, Grantor may also permit the expansion of existing utility distribution services running through the Property, including the construction of new electrical utility distribution lines (but not electrical transmission lines which are prohibited by Exhibit C, paragraph 9), and may grant associated right-of-way easements, if Grantor's exercise of these reserved rights does not significantly impair the Conservation Values protected by this Easement, pursuant to Treasury Regulation §1.170A-14(e)(2). Grantee's prior approval of new or upgraded utility distribution services and right-of-way easements will require submission by Grantor of a construction/installation plan. Grantor shall contact Grantee prior to the preparation of the construction/installation plan to obtain the required information to be included in any such plan. Grantor and Grantee will mutually determine the completeness of the utility construction/installation plan and its adherence to the general and specific intentions of this Easement prior to the approval of such plan. Any construction/installation, if approved by Grantee as provided in Section IV hereof, shall be conducted in accordance with said plan. Any new and expanded utility services and associated right-of-way easements must be memorialized in a written agreement that is recorded in the public records of Beaverhead County, signed by Grantor, Grantee, and the utility service provider prior to beginning construction.

10. Residence-based business. Persons living on the Property may conduct businesses within their residential dwelling units so long as any such business is not a sales or service business involving regular visits to the Property by the general public or delivery trucks.

The retail sale of goods produced and manufactured by such businesses shall not take place on the Property. The leasing or rental for consideration of the residential dwelling units, or portions thereof, on the Property for any term, including, but not limited to, short-term vacation rentals, is expressly permitted under this Exhibit B, paragraph 10.

11. Interment. Grantor retains the right to maintain the existing cemetery on the Property within the area defined in Exhibit E (the "Jones Cemetery"). At no time may be area for the cemetery exceed the one (1) acre boundaries delineated in Exhibit E. Nothing in this Easement shall affect or impair any rights of the public to access the Jones Cemetery, as provided in Certificate of Survey No. 615, recorded as Document No. 199597, records of Beaverhead County, Montana.

-----END EXHIBIT B-----

EXHIBIT C
PROHIBITED USES AND PRACTICES

The following uses and practices, though not an exhaustive recital of inconsistent uses and practices, are hereby deemed to be inconsistent with the purposes of this Easement and are expressly prohibited:

1. Subdivision. Grantor and Grantee mutually intend that the Property described in Exhibit A shall be maintained and granted, sold, exchanged, devised, gifted, transferred, or otherwise conveyed in unified title as one (1) parcel only. Even if the Property consists of more than one (1) parcel for real estate tax or any other purpose or if it may have been acquired previously as separate parcels, it will be considered one (1) parcel for purposes of this Easement, and the restrictions and covenants of this Easement will apply to the Property as a whole. Therefore, the following activities are expressly prohibited: The division, subdivision, or de facto subdivision of the Property. Prohibited property divisions under this Easement include, but are not limited to, any subdivision, short subdivision into remainder tracts, platting, testamentary division, partitions among tenants-in-common or joint tenants, judicial partitions, partitions in bankruptcy, allocation of title among partners, shareholders, trustees or trust beneficiaries, or members of any business entity, time-share or interval ownership arrangements, or other process by which the Property is divided into lots or in which title to different portions of the Property are held by different owners. Notwithstanding any provision herein that may be construed to the contrary, the Property may be leased for agricultural purposes, provided any such leases are subordinate to the terms and purposes of this Easement.

2. Alteration of the land surface and mineral removal. There shall be no alteration of the surface of the land, including, without limitation, the filling, excavating, dredging, mining, drilling, exploration for, removal or extraction of minerals, coal, hydrocarbons, including oil and gas, bentonite, soils, sand, gravel, rock, sod, peat, decorative rock, or other material on or below the surface of the Property, except any incidental alterations associated with a use or activity expressly allowed under Exhibit B. Extraction or removal of surface materials by surface mining methods is prohibited.

3. Commercial facilities. The establishment of any commercial or industrial facilities (other than those necessary in the operation or uses of the Property expressly permitted by this Easement) including, but not limited to, guest ranching, outfitting, commercial feed lot, retail sales businesses, service businesses (except as provided in Exhibit B, paragraph 10), restaurants, night clubs, campgrounds, trailer parks, motels, hotels, commercial recreation facilities, gas stations, retail outlets, or facilities for the manufacture or distribution of any product (other than products to be grown or produced on the Property in connection with purposes expressly permitted in Exhibit B hereto).

4. Dumping. The dumping or other disposal of non-compostable refuse on the Property, except nonhazardous wastes generated by activities permitted in Exhibit B, and provided such dumping does not harm the Conservation Values.

5. Construction. The construction or placement of any buildings or other structures, except for those specifically permitted in Exhibit B.

6. Campers, trailers, and recreational vehicles. The placing or use of campers, trailers, and recreational vehicles is prohibited, provided, however, that Grantor may store

personal campers, trailers, and recreational vehicles within the Building Envelope defined in Exhibit B, paragraph 4; and Grantor and Grantor's guests may park and use campers, trailers, or recreational vehicles on the Property on a temporary basis to accommodate normal visitation.

7. Billboards. The construction, maintenance, or erection of any billboards. Roadside signs are permitted only for the purposes of posting the name of the Property, advertising any business permitted on the Property, controlling public access, providing public notification of this Easement, or advertising the Property for sale.

8. Roads. The construction of roads, and granting or reservation of right-of-way easements across or upon the Property, except as permitted in Exhibit B, paragraph 8.

Subject to Section X, paragraph C, right-of-way easements may be granted by mutual agreement of Grantor and Grantee only in cases where eminent domain statutes apply and clear public necessity has been demonstrated to Grantor and Grantee, pursuant to the standards set forth in Title 70, Chapter 30 of the Montana Code Annotated, and other applicable laws pertaining to condemnation of real property interests for public uses.

9. Utilities. The granting of utility transmission lines and utility transmission corridor right-of-way easements, or the expansion of existing utility transmission lines and utility transmission corridor right-of-way easements. Subject to Section X, paragraph C, such right-of-way easements may only be granted by mutual agreement of Grantor and Grantee only in cases where eminent domain statutes apply and clear public necessity has been demonstrated to Grantor and Grantee, pursuant to the standards set forth in Title 70, Chapter 30 of the Montana Code Annotated, and other applicable laws pertaining to condemnation of real property interests for public uses.

10. Game, fur, or fish farms. The raising or confinement for commercial purposes of (i) "alternative livestock" and "game animals" as defined in MCA Section 87-4-406 or its successor statute, (ii) native or exotic fish, except that "private fish ponds," as defined by MCA Section 87-4-603, or its successor statute, may be maintained for recreational use, (iii) game birds, (iv) furbearers, including mink and fox, or (v) other "wild animals" as defined in MCA Section 87-4-801, or its successor statute, and "non-game wildlife" as defined in MCA Section 87-5-102(6), or its successor statute.

11. Commercial timber harvest. Except as provided in Exhibit B, paragraph 6, the harvest of timber on the Property for commercial purposes, including commercial timber harvests or thinning. For the purposes of this Easement, the term "commercial timber harvest or thinning" is defined as any timber harvest in which the product of such harvest is sold, traded, exchanged, or used off of the Property.

12. Farming. There shall be no farming or cultivation on the Property, except as provided in Exhibit B, paragraph 6, for landscaping and gardening purposes within the Building Envelope.

----- END EXHIBIT C -----

EXHIBIT D
ACKNOWLEDGMENT OF DOCUMENTATION SITE VISIT

KNOW ALL MEN BY THESE PRESENTS, that MELODY ANN TAFT of Ojai, California, as Grantor of the Easement to which this Exhibit D is attached and into which it is incorporated by reference, and THE MONTANA LAND RELIANCE of Helena, Montana, as Grantee of said Easement, hereby mutually acknowledge, declare, and agree as follows:

1. Grantor has made available to a representative of Grantee prior to the grant of this Easement, information sufficient to document the condition of the Property which shall be subject to this Easement.
2. A representative of Grantee has collected and compiled documentation sufficient to establish the condition of the Property as of the date of the grant of this Easement and has shared this documentation with Grantor.
3. The documentation was compiled by a representative of Grantee on a site visit to the Property on October 18, 2018, and consists of mapping of physical features and resources, photographs of structures, developments and improvements, and gathering of other appropriate information to document the Conservation Values of the Property.
4. Grantor and Grantee mutually acknowledge and agree that this information constitutes an accurate representation of the condition of the Property to be subject to this Easement at the time of its grant.
5. Additional information and documentation will be gathered as historical, government, and archival documents and aerial photographs are made available to Grantor and Grantee.
6. Grantor and Grantee further agree that a final Resource Documentation Report shall be completed from the above mentioned information as soon as practicable after the grant of this Easement to Grantee. Upon its completion, the final Resource Documentation Report shall be reviewed and approved in final form by both Grantor and Grantee, and shall be on file with Grantee in Grantee's normal place of business.

DATED this 22nd day of January, 20 19.

GRANTOR:


MELODY ANN TAFT

GRANTEE:

THE MONTANA LAND RELIANCE,
a corporation


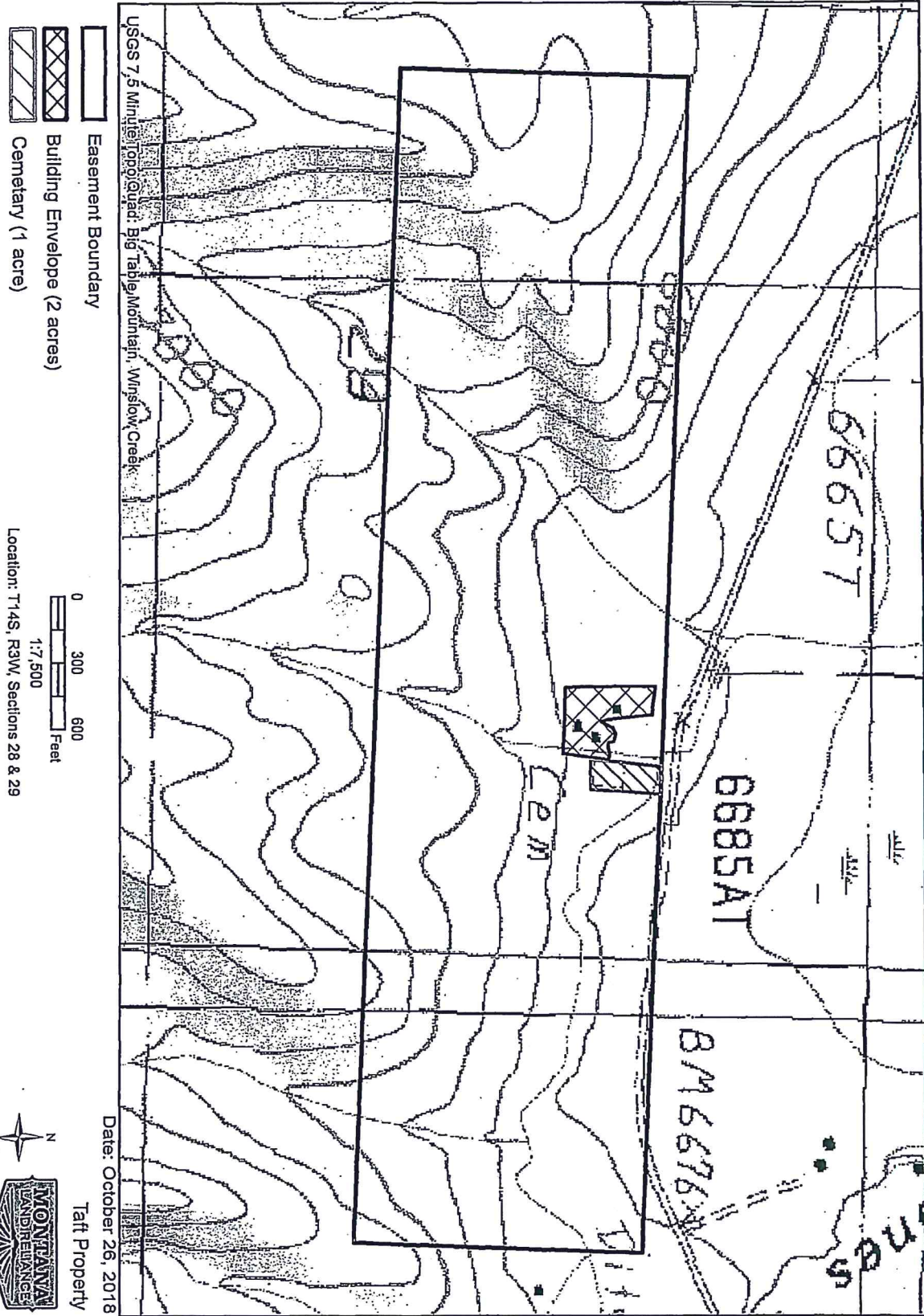
By:  President
[Name and title]

EXHIBIT E



- Easement Boundary
- Building Envelope (2 acres)
- Cemetery (1 acre)

0 300 600
1:7,500
Feet
Location: T14S, R3W, Sections 28 & 29



Date: October 26, 2018
Tatt Property

2021 REAL Property Tax Statement

BEAVERHEAD COUNTY

CATHY HUCKE

102 N WASHINGTON ST

DILLON, MT 59725-2631

10/25/21

Tax Payer	Property Description
Taft Melody Ann 2158 Baldwin Rd Ojai CA 93023-9704	Twn/Rng/Sect 14S/03W /28 ACRES 40, SW4NW4 Twn/Rng/Sect 14S/03W /29 ACRES 120, S2NE4, SE4NW4 Acres: 160.00

Tax Payer: 102126
School District: 12R1 LIMA RURAL -
Taxable Value: 1,451
Geo Code: 0034-28-2-01-01-0000
Street: 17700 SOUTH VALLEY RD

Tax Description	1st Half	2nd Half	Total Tax	Voted *	% of Tax	Tax Amount	Mill Levy
LAND	69.33	69.32	138.65		STATE SCHOOL LEVY	15.63 %	95.000
BLDS & IMPROVEMENTS	322.10	322.09	644.19		School District Distribution		
BVHD CONSERVATION	3.26	0.00	3.26		H. S. GENERAL	22.73 %	138.130
BHC SOIL CONSERVATION PE	0.62	0.00	0.62		H. S. TRANSPORTATI	4.18 %	25.410
REFUSE DISTRICT	95.00	0.00	95.00		H. S. BUS DEPRECIA	2.85 %	17.300
					H. S. BUILDING RES	1.77 %	10.750
1st Half Due (12/03/21)	490.31				TOTAL SCHOOL DISTRICT	31.53 %	191.590
2nd Half Due (05/31/22)		391.41			STATE LEVY - UNIVER	0.99 %	6.000
Total Bill			881.72		COUNTYWIDE EDUCATIO	7.90 %	47.990
					Total School	56.05 %	340.580
					County		
					GENERAL	4.94 %	30.020
					ROAD	4.03 %	24.510
					BRIDGE	1.65 %	10.000
					* WEED	0.72 %	4.380
					* ANIMAL SHELTER	0.10 %	0.600
					* 2 MILL ANIMAL SHEL	0.33 %	2.000
					FAIR	0.62 %	3.760
					AIRPORT	0.16 %	1.000
					DISTRICT COURT	0.99 %	6.000
					COMPREHENSIVE INSUR	0.49 %	3.000
					* LIBRARY	0.33 %	2.000
					* PUBLIC HEALTH	0.82 %	5.000
					SENIOR CITIZENS	0.08 %	0.470
					EXTENSION	0.66 %	4.000
					PUBLIC SAFETY	6.98 %	42.390
					SHERIFF RETIREMENT	0.16 %	0.990
					MUSEUM	0.31 %	1.880
					* HEALTH INS ABOVE CA	3.68 %	22.370
					* SEARCH & RESCUE	0.33 %	2.000
					SOLID WASTE	10.77 %	69.500
					Total County	38.15 %	166.370
					Other		
					FD#1/LIMA	4.41 %	26.780
					DILLON CEMETERY	0.78 %	4.770
					LIMA CEMETERY	0.07 %	0.410
					WISDOM CEMETERY	0.05 %	0.280
					DEWEY CEMETERY	0.03 %	0.200
					CENTENNIAL CEMETERY	0.01 %	0.060
					JACKSON CEMETERY	0.01 %	0.040
					BRISTON CEMETERY	0.00 %	0.000
					BVHD CONSERVATION D	0.37 %	2.320
					BVHD CONSERVATION D	0.07 %	0.420
					Total Other	5.80 %	32.570
					Total Bill	100.00 %	539.520

Asterisk means Voted Mills.

You may also place your payment in the Night Drop located by the main door on the south side of the building on Center Street or use the Drive Up Window. Another option is www.officialpayments.com

Click: Local Payments
Code:3613

OR State: Montana

Payment Entity: Beaverhead County Treasurer
Payment Type: Property Tax

A convenience fee will be added for this service.

Please make sure payment is postmarked on or before due dates on payment stubs. Penalty and interest will start accruing after due dates. Please call us for a correct payoff amount at 406-683-5821.

If you NO longer own this property PLEASE forward this notice to the new owner OR return it to the Treasurer.

Total if both halves paid: 881.72



Name: TAFT MELODY ANN
2158 BALDWIN RD
102126

Due: 490.31 12/03/21

Return this stub with payment to:

BEAVERHEAD COUNTY
CATHY HUCKE
102 N WASHINGTON ST
DILLON, MT 59725-2631

Total if both halves paid: 881.72



Name: TAFT MELODY ANN
2158 BALDWIN RD
102126

Due: 391.41 05/31/22

Return this stub with payment to:

BEAVERHEAD COUNTY
CATHY HUCKE
102 N WASHINGTON ST
DILLON, MT 59725-2631



August 1, 2022

John Creer, Chief Real Estate Officer
Department of Real Estate Administration
University of Utah
505 Wakara Way, Suite 210
Salt Lake City, Utah 84108

via email: Rebecca.Paulson@utah.edu

RE: Taft Property Appraisal

Dear Mr. Creer:

I hereby offer to prepare an appraisal of the Taft Property located about 50 air miles south of Dillon, Montana in the Centennial Valley near Lakeview. I understand the property shall consist of approximately 160 deeded acres that is structurally improved with an older dwelling and barn. I understand that the property is encumbered by a Deed of Conservation Easement held by the Montana Land Reliance that dictates the property's current and future use. The objective of this appraisal is to estimate the current market value of the subject property for the Taft's valuation and planning needs in anticipation of donating the property to the University of Utah.

For this purpose and use, the appraisal conducted shall be a USPAP-compliant Appraisal Report that will meet Uniform Standards of Professional Appraisal Practice requirements. The total fee for the completed Appraisal Report shall be \$5,000.00 - \$7,000.00. I expect that I can conduct the property inspection later this summer with the report to be completed prior to November 15, 2022.

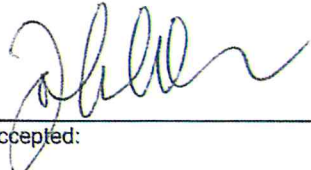
If this is acceptable, I would ask that you sign this engagement letter and have Melody sign the authorization agreement and return them to me along with an initial payment of \$2,500.00. The balance of the appraisal fee shall be due immediately upon delivery of the submitted report.

I sincerely welcome the opportunity to work on this assignment and will deliver to you a professional product in a timely manner. Thank you for your consideration and if you have any questions, please call me.

Sincerely,

s/ KTP

Kevin T. Pearce, ARA
ASFMRA Accredited Rural Appraiser, #1081
US Certified General Appraiser, MT #63 & WY #436

 8/1/22
Accepted: _____ Date: _____

**APPRAISAL AUTHORIZATION
&
Consent to Disclose Information**

With this letter,  authorizes
NEW FRONTIER RANCHES, INC. to conduct appraisal services on the **Taft Property**

in Beaverhead County, Montana and hereby authorize New Frontier Ranches inspection access to the property and grant authorization for representatives of the firm to request, inspect, and copy records, maps, and/or data pertinent to my (our) property and appraisal project.

Authorized: 

Date: 8/2/2022



NEW FRONTIER
▪ R A N C H E S ▪

111 N Main St. ■ PO Box 469 ■ Twin Bridges, MT 59754

ph (406) 684-5850

APPRAISER QUALIFICATIONS

Kevin T. Pearce, ARA
Accredited Rural Appraiser, #1081
Montana Certified General Appraiser, #63
Wyoming Certified General Appraiser, #436

Education

Montana State University, B.S. Degree in Agricultural Business, June 1984. Graduated with Honors and recipient of Joe Somers Memorial Scholarship. Inducted into Alpha Zeta Fraternity (Agricultural Honorary).

Experience

Real Estate Appraiser:

Actively engaged in the appraisal profession since July 1985. Currently (2006 -) President and Owner of New Frontier Ranches, Inc., a full-service real estate appraisal, brokerage, and consulting firm. Formerly associated with Norman C. Wheeler and Associates (1986 – 2006). Awarded the Accredited Rural Appraiser (ARA) designation by the American Society of Farm Managers and Rural Appraisers in November 1995. Montana Certified General Real Estate Appraiser, #63. Wyoming Certified General Real Estate Appraiser, #436.

Properties appraised include livestock ranches, irrigated and dryland farms, recreational properties, improved and suburban tracts, commercial buildings, and residential homes and homesites. Appraisal purposes and assignments include bankruptcy, conservation easements, land partitioning, land exchanges, loan servicing, estate and tax planning, marital and business dissolutions, and purchase and sale negotiations. Clients have included individual owners, corporations, attorneys, accountants, banks and lenders, land trust organizations, and governmental agencies.

Court Appointed Referee and Expert Witness Testimony:

Appointed as a Montana District Court Referee in matters pertaining to land division and valuation suits. Investigated conflict and prepared written findings of fact and referee opinions and successfully negotiated settlement. Have testified in Montana, Wyoming, and California at the District Court level as an Expert Witness in support of completed appraisals.

Ranch Manager:

Professional property manager for agricultural properties near Big Timber, Montana, 1985-1991, 1998-2001 and 2006-2020. Responsible for general operation and supervision of ranch operations for absentee owners. Currently the owner and operator of a diverse family-held livestock ranch operation at Sheridan, Montana.

Real Estate Broker:

Licensed Montana real estate broker and salesman since April, 1984.

Professional Affiliations

Accredited Rural Appraiser (ARA): American Society of Farm Managers and Rural Appraisers, #1081

Certified General Real Estate Appraiser: Montana Certificate #63 & Wyoming Permit #436

Real Estate Broker: Montana License #2134

Past President: Montana Chapter of American Society of Farm Managers and Rural Appraisers, 1993-94; Vice President 1992-93; Director 1991-94. Past Chair of Ethics, Membership, & Appraisal Review Committees



APPRAISER QUALIFICATIONS – Kevin T. Pearce, ARA

Professional Education

Accreditation by the American Society of Farm Managers and Rural Appraisers requires a minimum of 60 hours of continuing education every three years to maintain the ARA designation. Current until December 2022.

General Appraisal State Certification requires a minimum of 28 hours of continuing education every two years to maintain the General Certification. Current in Montana until March 2023. Current in Wyoming until February 2023.

Have attended numerous brokerage and appraisal education courses that include:

Valuation of Life-Style & Trophy Properties (ASFMRA)	2022
Uniform Standards of Professional Appraisal Practice (USPAP)	2022
Tax Issues in Estate Appraisals – 1031 Exchanges	2022
ASFMRA Ethics	2020
Property Rights Appraisal (ASFMRA)	2020
Uniform Standards of Professional Appraisal Practice (USPAP)	2020
Conservation Easement Property Appraisal (ASFMRA)	2019
Valuing Rural American (ASFMRA)	2019
Uniform Standards of Professional Appraisal Practice (USPAP)	2018
Technology in Appraisals (ASFMRA)	2018
Valuation of Intangible and Non-Financial Assets (ASFMRA)	2017
Divorce & Estate Appraisals	2017
Uniform Standards of Professional Appraisal Practice (USPAP)	2016
Rural Case Studies (ASFMRA)	2016
MT Appraiser Mentor-Trainee Course and MT Oil & Gas Law (ASFMRA)	2015
Uniform Standards of Professional Appraisal Practice (USPAP)	2014
ASFMRA Ethics	2014
Appraising Natural Resources Seminar (ASFMRA)	2013
Wind Power Seminar (ASFMRA)	2013
Supervising Appraiser Trainees (HONDROS)	2012
MT Access and Easement Law (ASFMRA)	2012
Uniform Standards of Professional Appraisal Practice (USPAP)	2012
Sales Comparison Approach Seminar (ASFMRA)	2011
Montana Agriculture: Legal Issues	2010
Uniform Standards of Professional Appraisal Practice (USPAP)	2010
ASFMRA Ethics	2009
Wind Lease Seminar (ASFMRA)	2009
Cost Approach Review Seminar (ASFMRA)	2009
Valuation of Conservation Easements (ASFMRA, LTA, AI)	2008
Uniform Standards of Professional Appraisal Practice (USPAP)	2008
Subdivision Analysis Seminar	2008
Minerals Appraisal (ASFMRA)	2007
Timber Appraisal (ASFMRA)	2007
Discounting and Leases (ASFMRA)	2006
Uniform Standards of Professional Appraisal Practice (National)	2006
Appraising Agricultural Lands in Transition (ASFMRA)	2006
Uniform Standards of Professional Appraisal Practice (National)	2005
Scope of Work in Appraisals (NAIFA 5.3)	2004
Appraising Rural Residential Properties (ASFMRA)	2004
Uniform Standards of Professional Appraisal Practice (National)	2003
Highest and Best Use (ASFMRA A-29)	2002
Fractional Interest Seminar (ASFMRA)	2001
Conservation Easement Seminar (ASFMRA)	2001
Appraising for Federal Land Exchanges (ASFMRA)	2000



State of Montana
Business Standards Division
Board of Real Estate Appraisers

REA-RAG-LIC-63

Status: **Active**
Expires: **03/31/2023**

This certificate verifies licensure as:

CERTIFIED GENERAL APPRAISER

Supervises: TRACEY PEARCE

With endorsements of:

* *REAL ESTATE APPRAISER MENTOR*

KEVIN T PEARCE
NEW FRONTIER RANCHES
111 N MAIN
PO BOX 469
TWIN BRIDGES, MT 59754



Montana Department of
LABOR & INDUSTRY
RENEW OR VERIFY YOUR LICENSE AT:
<https://ebiz.mt.gov/pol>

Renew online at <https://ebiz.mt.gov/pol> by signing in with your username and password.

The renewal cycle for your board opens 60 days prior to the expiration date on your current license.

Renew your license prior to your expiration date to avoid being charged a late fee(s).

Remember to maintain your online account information with a password, security question and a valid email address. You can update your account information by accessing the 'Account Management' link when logged in.

WYOMING REAL ESTATE
COMMISSION & CERTIFIED APPRAISER BOARD

License Number 436

NON TRANSFERABLE

CERTIFIED REAL ESTATE APPRAISER PERMIT

Issued : 02/26/1999

Expires: 02/25/2023

Kevin T. Pearce

{Certified General Appraiser Permit}

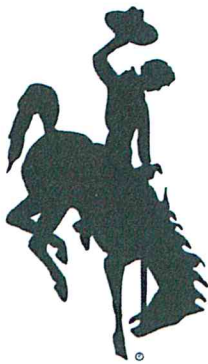
AS PROVIDED FOR BY THE LAWS OF WYOMING.

{
111 N Main St
PO Box 469
Twin Bridges MT 59754

AUTHORIZED BY THE WYOMING CERTIFIED
REAL ESTATE APPRAISER BOARD
WITNESS MY HAND AND THE
OFFICIAL SEAL AT CHEYENNE, WYOMING.



Rebecca J. Zisch, Executive Director



AMERICAN SOCIETY of FARM MANAGERS and RURAL APPRAISERS,® INC.®

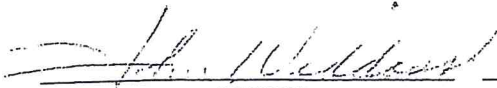
Kevin T. Pearce

Has met all of the requirements prescribed by the American Society of Farm Managers and Rural Appraisers for an Accredited Rural Appraiser and is therefore entitled to carry the title of

ACCREDITED RURAL APPRAISER® A.R.A.®

The above named has shown by examination and required evidence of experience that this individual is qualified and is therefore authorized to use the above title in practicing the profession of rural appraising.

IN WITNESS WHEREOF, we have subscribed our signatures and affixed the seal of the American Society.


PRESIDENT


CHAIRMAN ACCREDITING COMMITTEE


SECRETARY

November 3, 1995



1081
CERTIFICATE NUMBER

This is the highest rank and the only title conferred on Rural Appraisers by this organization. This certificate is the property of the American Society of Farm Managers and Rural Appraisers and is issued subject to the provisions of the Constitution and By-Laws. It must be surrendered immediately upon