

ITEM 118-2804-R0303 ATTACHMENT

File No. MSU-N PDR #1

LAND APPRAISAL REPORT

File No. MSU-N

Owner: N/A Census Tract: 406-3-301B Map Reference: Havron

Property Address: 1215 McKinley Avenue City: Havron County: HBE State: MT Zip Code: 59501

Legal Description: Highland Park, Lots 544 and 545

Sale Price: \$ N/A Date of Sale: N/A Loan Term: N/A Property Rights Appraised: Fee Leasehold DeMinimus FUD

Actual Real Estate Taxes: \$ 62.35 (yr.) Loan charges to be paid by seller: \$ N/A Other sales concessions: N/A

Lender/Clien: Montana State University Northern Address: Box 7251, Havron, MT 59501

Occupant: N/A Appraiser: Cindy Lurd Instructions to Appraiser: Determine Market Value

LOCATION

Location: Urban Suburban Rural

Build Up: Over 75% 25% to 75% Under 25%

Growth Rate: Fully Developed Rapid Steady Slow

Property Values: Increasing Stable Declining

Demand/Supply: Shortage In Balance Over Supply

Marketing Time: Under 3 Mos. 3-6 Mos. Over 6 Mos.

Employment Stability: Good Avg Fair Poor

Convenience to Employment: Good Avg Fair Poor

Convenience to Shopping: Good Avg Fair Poor

Convenience to Schools: Good Avg Fair Poor

Adequacy of Public Transportation: Good Avg Fair Poor

Recreational Facilities: Good Avg Fair Poor

Adequacy of Utilities: Good Avg Fair Poor

Property Compatibility: Good Avg Fair Poor

Protection from Detrimental Conditions: Good Avg Fair Poor

Police and Fire Protection: Good Avg Fair Poor

General Appearance of Properties: Good Avg Fair Poor

Appeal to Market: Good Avg Fair Poor

PRESENT LAND USE

Present Land Use: 1 Family 2-4 Family Apts. Condo Commercial

Change in Present Land Use: Not Likely Likely (*) Taking Place (*)

Predominant Occupancy: Owner Tenant Vacant

Single Family Price Range: \$ 40,000 to \$ 125,000 Predominant Value: \$ 75,000

Single Family Age: 25 yrs. to 60 yrs. Predominant Age: 45 yrs.

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): The subject is located in a stable neighborhood with average appeal. Area consists primarily of single family dwellings with a mixture of rental properties; subject block consists of several apartment complexes, manufactured homes and site constructed dwellings.

DIMENSIONS 60' x 165' = 8700.00 SqFt Sq. Ft. or Acres Corner Lot

Zoning Classification: Residential General Present Improvements: Do Do not conform to zoning regulations

Highest and Best Use: Present Use Other (specify)

Electricity: Available Other (Describe)

Gas: Available Other (Describe)

Water: Stubbbed In Other (Describe)

San. Sewer: Available Other (Describe)

Off Site Improvements: Public Private

Street Access: Public Private

Surface: Asphalt Other (Describe)

Maintenance: Public Private

Storm Sewer: None On/Off-Gutter

Streets: None Street Lights

Type: Level Sloped

Size: Typical Other (Describe)

Shape: Rectangular Other (Describe)

View: SFD; Apartments Other (Describe)

Drainage: Appears Adequate Other (Describe)

Is the property located in a HUD identified Special Flood Hazard Area? No Yes

Comments (favorable or unfavorable) including any apparent adverse easements, encroachments or other adverse conditions: None noted.

The undersigned has reviewed three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to three items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	1215 McKinley Avenue Havron, MT 59501	1345 Lincoln Avenue Havron, MT	1304 Lincoln Avenue Havron, MT	1340 Jefferson Avenue Havron, MT
Proximity to Subject	5 blocks NE	5 blocks NE	5 blocks NE	2 blocks NE
Sale Price	\$ N/A	\$ 15,000	\$ 12,000	\$ 12,000
Price	\$ 0.00	\$ 200.00	\$ 160.00	\$ 150.00
Data Source	Ch/Inspection	Courthouse & MLS	Courthouse & Inspection	Courthouse & MLS
Date of Sale and Time Adjusted				
Location	Average	10/98	2/97	2/00
Site/View	60x145/SFD, Apt	Average	Average	Average
Water	Stubbbed In	75x150/SFD, Apt -3400	75x129/SFD, Apt -1200	80x117/SFD, Apt -845
Gas	none	2500	2500	2500
Sewer	none	None	None	None
Sales or Financing Concessions		Cash	Cash	Cash
Net Adj. (Total)		<input type="checkbox"/> Plus <input checked="" type="checkbox"/> Minus \$ -900	<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus \$ 1300	<input checked="" type="checkbox"/> Plus <input type="checkbox"/> Minus \$ 1655
Indicated Value of Subject		G: 39.33% N: 6.00% \$ 14,100	G: 30.83% N: 10.83% \$ 13,300	G: 27.88% N: 13.79% \$ 13,650

Comments on Market Data: See attached addendum.

COMMENTS AND CONDITIONS OF APPRAISAL The subject's estimated value relies heavily on information supplied by the City of Havron Public Works Department in regards to the water being stubbed into the subject lot. In the event that misinformation was supplied, the subject's estimated value would be \$2500 less, or \$11,500. Most credence is placed on the sales comparison approach; the income and cost approach was not considered applicable.

FINAL RECOMMENDATION This is a Complete Appraisal Summary Report. The appraisal was completed for mortgage purposes only. Market value estimates contained herein are based on exposure time of 6-8 months. Based on a review of exposure times for comparable properties utilized herein, the marketing time for the subject is considered synonymous with its exposure time.

I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF 12/16/02 to be \$ 14,000.

Appraiser(s): Cindy Lurd Review Appraiser (if applicable): _____

Certification/License # 126

Did Did Not Physically Inspect Property

Lend Appraisal

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TEXT ADDENDUM

File No. MSU-N

Borrower/Client	N/A						
Address	1215 McKinley Avenue						
City	Havre	County	Hill	State	MT	Zip Code	59501
Lender/Client	Montana State University Northern						

COMMENTS ON SALES COMPARISON

Very limited available sales data of fee simple lots with no improvements; a total of 14 sales were researched from the periods of 1994 to present and included all Havre neighborhoods with the exception of lot sales in newer subdivisions; the 14 sales were lots in established neighborhoods. Established neighborhood lot sales are far more indicative of the subject's estimated value as the newer subdivisions are affected by property values in the \$100,000 plus price ranges due to the new construction. The research of the 14 lot sales revealed that lots with water and sewer stubbed into the lots results in a higher per square foot sales price; however, costs for utilities varies depending on how far the utility lines are extended in addition to how deep the lines must be installed. Per the Public Works Department/City of Havre, the subject lot has water stubbed into the lot, but the sewer is not. Sales 1-3 did not have any utilities stubbed in; the adjustment for the water is approximate as the cost for sales 1-3 to do so is speculative; water into lots has been estimated by the city and local contractors over the past several years beginning at \$2000 and upwards to approximately \$3000. Per the Public Works Department, the subject is permitted to allow for manufactured home placement as did sales 1 and 2. No time adjustment was made for older sales due to the lack of lot sales; lack of information prohibits the documentation needed to support a time adjustment.