

Engagement Letter for Appraisal

DATE OF AGREEMENT: August 29, 2023

PARTIES TO AGREEMENT:

Client:

Yellowstone County, Montana
PO Box 35024
Billings, Montana 59107
tmiller@yellowstonecountymt.gov

Appraiser:

Jim French
Certified General Real Estate Appraiser #675
2670 South 34th Road
Pompeys Pillar, MT 59064
(406) 860-2341
jimfrench2670@gmail.com

Client hereby engages Appraiser to complete an appraisal assignment as follows:

PROPERTY IDENTIFICATION

Parcel 1 of Certificate of Survey #3217, located in Section 3, Township 2 North, Range 29 East, MPM of Yellowstone County, Montana.

PROPERTY TYPE

Vacant Rural Land

INTEREST VALUED

Fee Simple Estate – Subject to Easements, Conveyances, Restrictions or Reservations of Record

INTENDED USERS

Yellowstone County, Montana

INTENDED USE

Purchase

TYPE OF VALUE

Fair Market Value

DATE OF VALUE

August 21, 2023 (Date of Purchase Contract)

HYPOTHETICAL CONDITIONS, EXTRAORDINARY ASSUMPTIONS

The land allocation will be based on the appraiser's analysis, in conjunction with aerial photos and current property assessment information. It is understood that the land allocation may vary amongst the various records.

Montana is a non-disclosure state, and no person or entity is required to disclose sales information. Every attempt will be made to verify the sales within the area, via relevant sources. Some sales in the market area will not be able to be verified and the Opinion of Value will be limited to the sales disclosed within the appraisal report, which are considered reflective of market conditions, as of the effective date of valuation.

Unless a Title Report is provided, the property will be valued based on the Extraordinary Assumption that there are no adverse title exceptions that would negatively impact the Fair Market Value.

APPLICABLE REQUIREMENTS OTHER THAN THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP)

None

ANTICIPATED SCOPE OF WORK

Valuation Approaches: Sales Comparison Approach / Cost Approach / Income Approach Note: Appraiser shall use only those approaches to value, which in his sole opinion, would render a credible opinion of value.

CONTACT FOR PROPERTY ACCESS, IF APPLICABLE

The site inspection will be completed in accordance with the intended use of this report.

DELIVERY DATE

Not later than September 13, 2023.

DELIVERY METHOD

E-Mail (PDF Copy)

NUMBER OF COPIES

Hard Copies available at \$75 each

PAYMENT TO APPRAISER

\$2,500 which is due and payable within 30 days of the delivery of the Appraisal Report.

PROPOSED IMPROVEMENTS

No proposed improvements

PROPERTIES UNDER CONTRACT FOR SALE

The property is subject to a buy/sell agreement, dated August 21, 2023 with a closing date of October 4, 2023 and a stated purchase price of \$240,000. A copy of the buy/sell agreement is incorporated into this agreement, by reference.

CONFIDENTIALITY

Appraiser shall not provide a copy of the written Appraisal Report to or disclose the results of the appraisal prepared in accordance with this Agreement with any party other than Client, unless Client authorizes, except as stipulated in the Confidentiality Section of the ETHICS RULE of the Uniform Standards of Professional Appraisal Practice (USPAP).

CHANGES TO AGREEMENT

Any changes to the assignment as outlined in this Agreement shall necessitate a new Agreement. The identity of the client, intended users, or intended use, the date of value, type of value or property appraised cannot be changed without a new Agreement.

CANCELLATION

Client may cancel this Agreement at any time prior to the Appraiser's delivery of the Appraisal Report upon written notification to the Appraiser. Client shall pay not less the 50% of the contracted fee, for work completed on assignment prior to Appraiser's receipt of written cancellation notice, unless otherwise agreed upon by Appraiser and Client in writing.

NO THIRD-PARTY BENEFICIARIES

Nothing in this Agreement shall create a contractual relationship between the Appraiser or the Client and any third party, or any cause of action in favor of any third party. This Agreement shall not be construed to render any person or entity a third-party beneficiary of this Agreement, including, but not limited to, any third parties identified herein.

USE OF EMPLOYEES OR INDEPENDENT CONTRACTORS

Appraiser may use employees or independent contractors at Appraiser's discretion to complete the assignment, unless otherwise agreed by the parties. Notwithstanding, Appraiser shall sign the written Appraisal Report and take full responsibility for the services provided as a result of this Agreement.

TESTIMONY AT COURT OR OTHER PROCEEDINGS

Unless otherwise stated in this Agreement, Client agrees that Appraiser's assignment pursuant to this Agreement shall not include the Appraiser's participation in or preparation for, whether voluntarily or pursuant to subpoena, any oral or written discovery, sworn testimony in a judicial, arbitration or administrative proceeding, or attendance at any judicial, arbitration, or administrative proceeding relating to this assignment.

APPRAISER INDEPENDENCE

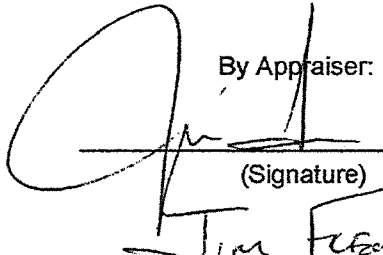
The appraiser cannot agree to provide a value opinion that is contingent on a predetermined amount. Appraiser cannot guarantee the outcome of the assignment in advance. The appraiser cannot ensure that the opinion of value developed as a result of this Assignment will serve to facilitate any specific objective by Client or others or advance any cause. Appraiser's opinion of value will be developed competently and with independence, impartiality and objectivity.

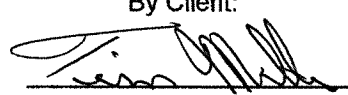
EXPIRATION OF AGREEMENT

This Agreement is valid only if signed by both Appraiser and Client within 10 days of the Date of Agreement specified.

GOVERNING LAW & JURISDICTION

The interpretation and enforcement of this Agreement shall be governed by the laws of the state in which the Appraiser's principal place of business is located, exclusive of any choice of law rules.

By Appraiser:

(Signature)
Tim Ferrellet
(Printed name)
8-29-2023
(date)

By Client:

(Signature)
Tim Miller
(Printed name)
8-29-2023
(date)