

# Uniform Agricultural Appraisal Report

Summary Appraisal

Parcel #1-NE 1/4 SE 1/4, NE 1/4 SW 1/4 1-135-52;  
E1/2 SW 1/4, lots 6&7 (SW 1/4) 6-135-51  
Parcel #2-SW 1/4 1-135-50 (Less RR RoW)  
Parcel #3-SW 1/4 (west of RR RoW) 12-135-50

## Prepared For:

North Dakota State Land Department  
1707 North 9th Street  
PO Box 5523  
Bismarck, ND 58506-5523

## Intended User:

North Dakota State Land Department  
1707 North 9th Street  
PO Box 5523  
Bismarck, ND 58506-5523

## Prepared By:

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Certified General Real Property Appraiser  
ND-CG-1131  
Fadness Realty and Appraisal

## Date Prepared:

01/05/2012

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## Uniform Agricultural Appraisal Report

Property Identification	Owner/Occupant: <u>Board of University Lands State of ND</u>	Total Deeded Acres: <u>662.68</u>
	Property Address: <u>Colfax, Viking and Sheyenne Twps.</u>	Effective Unit Size: <u>662.68</u>
	State/County: <u>ND / Richland</u>	Zip Code: <u>58077</u>
	Property Location: <u>10 Mi. West and 2 Mi. South of Walcott, ND</u>	Property Code #: _____
	Highest & Best Use: <u>Pasture "As If" Vacant</u>	FAMC Com'dity Gp: _____
	<u>N/A "As Improved"</u>	Primary Land Type: <u>Cropland And Pasture</u>
	Zoning: <u>Agricultural</u>	Primary Commodity: <u>Livestock, Corn</u>
	Unit Type: <input type="checkbox"/> Economic Sized Unit <input checked="" type="checkbox"/> Supplemental/Add-On Unit	
	FEMA Community # <u>Not Mapped</u> FEMA Map # _____ FEMA Zone/Date: <u>Not Mapped</u>	
	Legal Description: <u>See Attached</u> SEC _____ TWP _____ RNG _____ Attached <input checked="" type="checkbox"/>	
	Purpose of Report: <u>Estimate market value for possible sale and loan servicing</u>	
	Use/Intended User(s): <u>Intended user is ND State Land Department to establish value for possible sale of subject property.</u>	
	Rights Appraised: <u>Fee Simple</u>	
	Value Definition: <u>See Attached</u> Attached <input checked="" type="checkbox"/>	
	Assignment: _____ Report Type: <u>Summary</u>	
Extent of Process/Scope of Work: <u>See scope of work sheet.</u>		

## Summary of Facts and Conclusions

Appraisal Report Summary	Date of Inspection: <u>12/14/11</u> Effective Date of Appraisal: <u>12/14/11</u>
	<b>Value Indication</b>
	- Cost Approach: ..... \$ <u>538,359</u>
	- Income Approach: ..... \$ <u>543,900</u>
	- Sales Comparison Approach: ..... \$ <u>530,100</u>
	<b>Opinion of Value:</b> <i>(Estimated Marketing Time <u>3</u> months)</i> ..... \$ <u>540,000</u>
	Cost of Repairs: \$ _____ Cost of Additions: \$ _____
	<b>Allocation:</b>
	Land: \$ <u>540,000</u> \$ <u>815</u> / <u>_____</u> Acre ( <u>100</u> %)
	Land Improvements: \$ _____ \$ <u>0</u> / _____ ( <u>0</u> %)
	Structural Improvement Contribution: \$ _____ \$ <u>0</u> / _____ ( <u>0</u> %)
	Non-Realty Items: \$ _____ \$ <u>0</u> / _____ ( <u>0</u> %)
	Leased Fee Value <i>(Remaining term of encumbrance _____)</i> \$ _____ \$ <u>0</u> / _____ ( <u>0</u> %)
	Leasehold Value: ..... \$ _____ \$ <u>0</u> / _____ ( <u>0</u> %)
	<b>Overall Value:</b> \$ <u>815</u> / _____ ( <u>100</u> %)
<b>Income and Other Data Summary:</b> <input checked="" type="checkbox"/> Cash Rent <input type="checkbox"/> Share <input type="checkbox"/> Owner/Operator <input type="checkbox"/> FAMC Suppl. Attached	
Income Multiplier <u>27,076.00</u> ( <u>22.00</u> ) Income Estimate: \$ <u>40.86</u> / <u>_____</u> Acre (unit)	
Expense Ratio <u>9.60</u> % Expense Estimate: \$ <u>3.92</u> / <u>_____</u> Acre (unit)	
Overall Cap Rate: <u>4.5000</u> % Net Property Income: \$ <u>36.93</u> / <u>_____</u> Acre (unit)	

**Area-Regional-Market Area Data and Trends:**

	Above Avg.	Avg.	Below Avg.	N/A
Value Trend	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sales Activity Trend	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Compatability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Effective Purchase Power	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demand	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Development Potential	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Desirability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Subject Property Rating:**

	Above Avg.	Avg.	Below Avg.	N/A
Location	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Soil Quality/Productivity	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Improvement Rating	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Compatibility	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rentability	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Market Appeal	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Overall Property Rating	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## Breakdown of Values

1. Parcel #1-SE 1/4, NE 1/4 SW 1/4 1-135-52  
E 1/2 SW 1/4, lots 6 & 7 (SW 1/4) 6-135-51-- **\$265,000**
  2. Parcel #2-SW 1/4 1-135-50 (less 6.24 Acre Railroad R of W)--**\$135,000**
  3. Parcel #3-SW 1/4 12-135-50 (West of Railroad R of W)--**\$140,000**
- TOTAL VALUE OF PARCELS--\$540,000**

LEGAL DESCRIPTION

Richland County, North Dakota

The Southeast Quarter (SE1/4) of Section One (1) in Township One Hundred Thirty-five (135) North, of Range Fifty-two (52) West of the Fifth Principal Meridian, Richland County, North Dakota.

AND

The Northeast Quarter of the Southwest Quarter (NE1/4SW1/4) of Section One (1) in Township One Hundred Thirty-five (135) North, of Range Fifty-two (52) West of the Fifth Principal Meridian, Richland County, North Dakota.

AND

The Southwest Quarter (SW1/4) of Section Six (6) in Township One Hundred Thirty-five (135) North, of Range Fifty-one (51), West of the Fifth Principal Meridian, Richland County, North Dakota.

AND

The Southwest Quarter (SW1/4) of Section One (1) in Township One Hundred Thirty-five (135) North, of Range Fifty (50), West of the Fifth Principal Meridian, Richland County, North Dakota.

AND

All that part of the Southwest Quarter (SW1/4) of Section Twelve (12) in Township One Hundred Thirty-five (135) North, of Range Fifty (50), West of the Fifth Principal Meridian, LYING WEST of the Great Northern Railway Right-of-Way, Richland County, North Dakota

**USPAP, Organizational, or Other Requirements**

**Report Type:** Summary  
**Date of Inspection:** 12/14/11 **Date of Value Opinion:** 12/14/11 **Date of Report:** 12/14/2011

**Scope of Work** *(Describe the amount and type of information researched and the analysis applied in this assignment. The Scope of Work includes, but is not limited to the degree and extent of the property inspection; the extent of research into physical and economic factors affecting the property; the extent of data research; and the type and extent of analysis applied to arrive at the opinions or conclusions. Additionally, describe sales availability & ability to demonstrate market - "as vacant" - and "as improved" if applicable - or describe sales available to form value opinion "as completed" or proposed if requested; describe income sources and ability of income to support existing or proposed construction; discuss extent of third party verification of RCN, if applicable.):*

The appraiser visually inspected the property on 12/14/2011. I was able to drive through to all of the properties as there was no snow at the time of inspection. I searched records, as there is no road access to the property located on sections 1-135-52 and 6-135-51, to see if there has been an easement granted for access to these properties. I was not able to locate an easement for access and the properties are approximately 1/2 mile from an access road. I found that the subject property is a mixture of cropland and pasture. The inspection indicated that the only improvements as part of the subject property were fencing and a corral found on the SE 1/4 1-135-52. I also inspected the comparable sales and observed them from public roads.

I then searched public records to obtain any marginal cropland and pasture land sales in the area. It was found there has been a very limited number of pasture land sales in this area. I evaluated the sales and determined the best comparables for the subject property. I tried to use the most current sales because of the changing land market in this area. I used AgriData for my aerial maps and cropland acreages to compare land ratios. I also used AgriData for the soil types of the subject property and for the comparables.

The information for the income approach was gathered from interviews with farmers, lenders, county agents and tax directors. This information was compiled and then used to determine the going rate for cash rent for the subject and the comparable properties.

I looked at the potential income stream for the subject and property and looked at comparables with similar income streams to arrive a value based on the income approach.

**Subject Property Sale & Marketing History:** *(Analyze and report any agreements of sale, options, or current listings as of the date of the appraisal - and all sales within three (3) years prior to the effective date of appraisal. For UASFLA assignments, report the details of the LAST SALE OF THE SUBJECT - no matter when it occurred):* The subject property has not been sold in the past 36 months.

**Market Conditions** *(Volume of Competing Listings, Volume of Sales, Amenities Sought by Buyers):* The current market conditions for all crop land is very strong. Land values have seen a 100% increase in values over the past 5 years. Most of the increase in values has come from very good crops in this region and market prices that are at all time highs. Interest rates have remained relatively low over the past several months and farmers have cash that they are investing in additional crop land to expand their operations. Most farmers must continue to grow in order to remain competitive in this very changing market. Crop inputs, Crop prices and interest rates are going to be the driving force for land values in the near future.

**Approaches to Value** *(Explain Approaches Used and/or Omitted):* There are three approaches to value. The first approach is the cost approach and this is where you place values on individual components of a property such as different classes of soils, land use or improvement. The improvement values are obtained by a replacement cost less depreciation. The appraiser then combines all of the components into one value based on cost. The second approach is the income approach and that uses potential income minus expenses and then the net income is divided by a capitalization rate based on other sales of similar properties. This value is then the value based on an income approach. The final approach is the market approach and that is where comparable sales are used to determine value. No two sales are exactly alike, so adjustments are made to the comparables to make them equal to the subject. After all adjustments are made to the comparables a reconciled value is multiplied by the number of acres in the subject property to arrive at a value based on the market approach. All three approaches are used in this appraisal.

Area-Regional Description	<b>Area-Regional Boundary:</b> The subject property is located in southeastern North Dakota approximately 30 miles southwest of Fargo, ND. The property is located 2 miles south and 10 miles west of Walcott, ND.	<b>On and Off Property:</b>  <table style="width:100%; border:none;"> <tr> <td></td> <td style="text-align:center;">Up</td> <td style="text-align:center;">Stable</td> <td style="text-align:center;">Down</td> </tr> <tr> <td>Value Trend:</td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Sales Activity Trend:</td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Population Trend:</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> </tr> <tr> <td>Employment Trend:</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> </table>		Up	Stable	Down	Value Trend:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sales Activity Trend:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Population Trend:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Employment Trend:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>																																						
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<b>Major Commodities:</b> Wheat/Corn/Soybeans are the major crops in the area and livestock is an additional product because of the type of land in this area.	<b>Market Availability:</b>  <table style="width:100%; border:none;"> <tr> <td></td> <td style="text-align:center;">Under Supply</td> <td style="text-align:center;">Balanced</td> <td style="text-align:center;">Over Supply</td> <td style="text-align:center;">No Influence</td> </tr> <tr> <td>Cropland Units:</td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Livestock Units:</td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Recreational Tracts:</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> </tr> <tr> <td>_____</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>_____</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>_____</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> </table>		Under Supply	Balanced	Over Supply	No Influence	Cropland Units:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Livestock Units:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Recreational Tracts:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																								
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<b>Forces of Value:</b> <i>(Discuss social, economic, governmental, and environmental forces.)</i> The current farm bill has a neutral effect on agriculture at the present time. There will be a new farm bill drafted in the coming months and with the change in the congressional delegation there may be some government cuts to farm spending in the future that would have a negative effect on the agricultural economy.  The biggest influence on pasture values will be interest rates and livestock prices. Any negative changes of one of these items may lower land values in the future. Ranchers are continuing to grow in size to be competitive, but further increases in land values may limit the growth.  Farm population is continuing to decline and this trend will continue as smaller farmers are not able to compete with larger operations and will need to discontinue operation.																																																												
<b>Exposure Time:</b> 1-3 months. <i>(See attached definition and discussion)</i>																																																												
<b>Specific Market Area Boundaries:</b> The market area for this area is the southeastern corner of North Dakota. It is mainly Barnes, Cass, Ransom, Sargent, LaMoure and Richland Counties.																																																												
Market Area Description	<table style="width:100%; border:none;"> <tr> <td style="width:25%;"><b>Market Area:</b></td> <td style="text-align:center;">Rural</td> <td style="text-align:center;">Suburb</td> <td style="text-align:center;">Urban</td> </tr> <tr> <td>Type</td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td></td> <td style="text-align:center;">Up</td> <td style="text-align:center;">Stable</td> <td style="text-align:center;">Down</td> </tr> <tr> <td>Value Trend</td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Sales Activity Trend</td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Population Trend</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> </tr> <tr> <td>Development Trend</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> </table>	<b>Market Area:</b>	Rural	Suburb	Urban	Type	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Up	Stable	Down	Value Trend	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sales Activity Trend	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Population Trend	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Development Trend	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<table style="width:100%; border:none;"> <tr> <td style="width:25%;"><b>Market Area:</b></td> <td style="text-align:center;">Above Avg.</td> <td style="text-align:center;">Avg.</td> <td style="text-align:center;">Below Avg.</td> <td style="text-align:center;">N/A</td> </tr> <tr> <td>Property Compatability</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Effective Purchase Power</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Demand</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> <tr> <td>Development Potential</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> </tr> <tr> <td>Desirability</td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input checked="" type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> <td style="text-align:center;"><input type="checkbox"/></td> </tr> </table>	<b>Market Area:</b>	Above Avg.	Avg.	Below Avg.	N/A	Property Compatability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Effective Purchase Power	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Demand	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Development Potential	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Desirability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<b>Analysis/Comments:</b> <i>(Discuss positive and negative aspects of market area.)</i> The demand for all types of land in this area is very good. There are buyers looking for the good quality cropland and parcels that are nearly all tillable. The demand for pastureland has fluctuated based on livestock prices. This area hit a high of approximately \$750-\$1000 acre and it has stabilized in this range. The demand for CRP land is also very good especially by outside investors who are looking at CRP cropland that has some time left on the contract and so that they can generate and income from the CRP while using it for recreational purposes.																																																												

**Property Description:** (Location, use and physical characteristics) There is a total of 662.28 deeded acres in the subject property. The pasture land consists of 525.07 acres that are very rolling with extremely sandy soils that are very susceptible to wind erosion and high water tables. The pasture land on sections 1 and 6 have average fence and the corral found on the SE 1/4 1 is in average condition. The water source for parcel #1 are dugout stock ponds. The pasture land area also has many trees and brush on it that makes the pasture less desirable because of less acres of grass as compared to those parcels without trees and that are nearly all grass land. The lack of a direct access to the property and lack of an easement to the property would be slight negatives to the property on section 1-135-52 and 6-135-51.

There is also 129.35 acres of marginal cropland found on the subject parcels. The soils are mainly Class IV, V, VI soils with very low productivity indexes in the 40's. The susceptibility to wind erosion makes the cropland acres best suited to growing native grasses or alfalfa for livestock production.

Subject Land Description

Land Use	Deeded Acres	Unit Type	Unit Size		<b>Subject Description:</b>			
					Above Avg.	Below Avg.		N/A
Dryland cropland	129.35	Acres	129.35	( 19.5%)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non Cropland	8.26	Acres	8.26	( 1.2%)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CRP Cropland		Acres		( 0.0%)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pasture land	525.07	Acres	525.07	( 79.2%)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trees, Roads, Waste		Acres		( 0.0%)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Building Site		Acres		( 0.0%)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
				( 0.0%)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
				( 0.0%)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
				( 0.0%)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
				( 0.0%)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Total Deeded Acres</b>	<b>662.68</b>	<b>Total Units</b>	<b>662.68</b>	<b>( 100 %)</b>	<b>FEMA Zone/Date</b> Not Mapped			
					<b>Building Location</b>			

**Comments** The primary soil type found on sections 1 and 6 are Serden-Hamar soils with topography from 0-15%. These soils are Class VI soils and very low productivity indexes in the low 20's. The soils found on section 12 are Aylmer-Thiefriver, saline-Serden and these soils are Class V with very low productivity indexes in the 20's. The soils found on section 1 in Colfax twp. are mainly Maddock-Hillaire-Espelie fine sandy loams and these are Class III soils with productivity indexes in the 40's. All of these parcels are best suited to native grasses and pasture because of the low productivity indexes of the soils and the susceptibility to wind erosion.

	Above Avg.	Below Avg.		N/A
<b>Land Improvements:</b>				
Domestic Water	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Livestock Water	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interior Roads	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Drainage	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Water Rights:**  No  Yes  Supplement Attached  
**Mineral Rights:**  No  Yes  Supplement Attached  
**Comments:** Included in final value estimate. Most parcels are sold with both of these rights included with the sale.

	Level	Un-dulating	Roll-ing	Slop-ing
<b>Topography:</b>				
Dryland cropland	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Non Cropland	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CRP Cropland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pasture land	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Trees, Roads, Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Building Site	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Overall Topography</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Soils Description:** See subject land description for soil types and productivity.

Soil Quality/Production:  Above Avg.  Avg.  Below Avg.  N/A  Supplement Attached

**Climatic:** 21 " Annual Precipitation \_\_\_\_\_ ' to \_\_\_\_\_ ' Elevation 121 Frost-Free Days  
**Utilities:** \_\_\_\_\_ Water Pub. Electric \_\_\_\_\_ Sewer \_\_\_\_\_ Gas \_\_\_\_\_ Telephone  
**Distance To:** 10 Mi Schools 30 Mi Hospital 10 Mi Markets 2 Mi Major Hwy. 30 Mi Service Center

**Easements/Encroachments:** (Conservation, Utility, Preservation, etc.) There are the standard utility easements. Value is based on the fact that there are no special conservation or wildlife easements.

**Hazards and Detriments:** There were no noted hazards or detriments observed during the tour and the inspection of the subject property. It is assumed that there are no hidden hazards or detriments and the value estimate is based on this assumption.

Type	Size	Construction	Qty	Foundation	Roof	Floor	Exterior	Act. Age	Eff. Age	Rem. Life	Con-formity	Utility	Cond.

Subject Improvement Description

**Improvement Comments:** *(Discuss and/or expand any items affecting value structure-by-structure, if necessary)*  
 There are no improvements as part of the subject property.

**Site Improvements:** Not applicable

	Above Avg.	Avg.	Below Avg.	N/A
Overall Structural Balance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Structural Condition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Improvement Rating	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Overall Property Rating	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Overall Building REL _____ years				

History	<input checked="" type="checkbox"/> Ownership Longer Than _____ Years					
		Owner	Recording/Reference	Date	Price Paid	Terms
	<b>Previous:</b>	Bank of ND	341003	09/07/2011	\$ _____	_____
	<b>Present:</b>	Board of Univ. Lands	341005	09/12/2011	\$ _____	_____
	<b>Currently:</b>	<input type="checkbox"/> Optioned	<input type="checkbox"/> Under Contract	Contract Price: \$ _____		
	<b>Buyer:</b>	_____	<input type="checkbox"/> Currently Listed	Listing Price: \$ _____	Listing Date: _____	

Zoning	<b>Current Zoning:</b> Agricultural	Zoning Conformity:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
	<b>Zoning Change:</b>	<input checked="" type="checkbox"/> Unlikely	<input type="checkbox"/> Probable	To: _____
	<b>Comments:</b> Current zoning on the property is agricultural and this should remain the zoning for these properties.			

Taxes	<b>Tax Basis:</b>	Assessment Year	2011	<b>Forecast:</b>	
	<input checked="" type="checkbox"/> Agricultural	Land	\$ 120,200	Current Tax	\$ 2,584
	<input type="checkbox"/> _____	Building(s)	\$ 0	Estimated/Stabilized	\$ 2,600
	<input type="checkbox"/> _____	_____	\$ _____	Or ( 662.68 Ac.) = \$	3.92 /acre
	Parcel #: Multiple	Total Assessed Value	\$ 120,200	Trend: <input checked="" type="checkbox"/> Up <input type="checkbox"/> Down <input type="checkbox"/> Stable	
Comments: Taxes will continue to increase in order to support local governments and public school systems.					

Highest & Best Use Analysis	Highest & Best Use is defined as that reasonable and probable use that supports the highest present value, as defined, as of the effective date of the appraisal. Alternatively, that use, from among reasonably probable and legally alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in the highest land value.	
	<b>Analysis:</b> <i>(Discuss legally permissible, physically possible, financially feasible, and maximally productive uses)</i>	
	The pasture found on the property is comprised of sandy loam soil types that are very susceptible to wind erosion. The highest and best use for this property would be left as pasture so that there is a cover on it at all times. There is also a very high water table in this area which would hinder crop production on this land. The uses for the properties would be physically possible, legally permissible and would be financially feasible and would produce the highest return on investment.	
	<b>Highest and Best Use:</b> "As if" Vacant Pasture "As Improved" N/A	
<b>Discussion:</b> The parcels found in Sheyenne and Viking Townships adjoin the Sheyenne National Grasslands. This area was developed into grazing lands because of the high susceptibility to wind erosion. The subject property has very similar soils and topography and it would be considered similar to those acres in the national grasslands.		

Value Methods	<b>Valuation Methods:</b> <input checked="" type="checkbox"/> Cost Approach <input checked="" type="checkbox"/> Income Approach <input checked="" type="checkbox"/> Sales Comparison Approach
	(Explain and support exclusion of one or more approaches) All three approaches are used in this appraisal to arrive at the final value estimate.



### Income Approach

<b>Basis of Income Estimate:</b>							
Cash <input checked="" type="checkbox"/>		Share <input type="checkbox"/>		Owner/Operator <input type="checkbox"/>		FAMC <input type="checkbox"/> See Attached	
Income Source	Units	Unit Measure	Stabilized Yield	Total Production		Cash/Share/Owner's Income	
				Stabilized \$/Unit	Gross Income	Share %	Income
Cropland Rental	129.35	Acres		\$ 40.00	\$ 5,174	100	\$ 5,174
Pasture Rental	525.07	Acres		\$ 28.00	\$ 14,702	100	\$ 14,702
				\$	\$		\$
				\$	\$		\$
				\$	\$		\$
				\$	\$		\$
				\$	\$		\$
<input type="checkbox"/> <b>Improvements Included in Land Rent</b>				Rent: \$ 600.00 /mo.,	\$ 7,200 /yr,	100	\$ 7,200
<b>Stabilized Gross Income = \$</b>						<b>27,076</b>	

**Comments:** *(Typical area rental terms and conditions)* The cash rental rates for dryland cropland in this area are in the \$40-\$90/acre range and this is the rate used for the subject and comparable properties. I used \$40 per acre for all of the cropland on the subject property and \$28/acre for the pasture rental income of the subject. This is slightly lower than the pasture rental on all of the comparables used. The reason for this is so much of the land is covered by trees which reduce the quality and amount of grass for grazing. All of the comparables have pasture cash rents of \$30/acre. .

<b>Expenses</b>	<b>Expense Items:</b>	<b>Additional Expenses:</b>	<b>Additional Expenses:</b>	<b>Additional Expenses:</b>
	Real Estate Tax \$ 2,600	_____ \$	_____ \$	_____ \$
	Insurance \$	_____ \$	_____ \$	_____ \$
	Maintenance \$	_____ \$	_____ \$	_____ \$
	Management \$	_____ \$	_____ \$	_____ \$
	_____ \$	_____ \$	_____ \$	_____ \$
	_____ \$	_____ \$	<b>Total Expenses = \$ 2,600 ( 9.60 %)</b>	

Sale	Date	Size	Impvt %	Gross Income	Exp. Ratio	Net Income	CEV Price	Cap Rate
1	04/11	160		6,400	11.72 %	5,650	196,000	2.88 %
2	11/09	461	1	13,500	22.96 %	10,400	415,000	2.51 %
3	09/09	451	8	13,350	23.83 %	10,169	310,000	3.28 %
4	06/11	320		9,675	16.54 %	8,075	156,000	5.18 %
5	04/10	160		4,704	10.20 %	4,224	48,000	8.80 %
					%			%
					%			%

**Analysis/Comments:** The subject property has a total of 129.35 acres of cropland that can generate a cash rent of \$40 per acre. Cash rents in this area range from \$40 to \$90 per acre and I used this range of rental rates for the comparable properties. The rates varied according to soil type and topography. The property also has 525.07 acres of pasture that can generate \$28 per acres. The only expenses on those comparables with no improvements would be the real estate taxes. Those with improvements would have real estate taxes, insurance and maintenance.

The subject property has no improvements so the only expenses are real estate taxes. The subject has an expense ratio that is slightly lower than the range of the comparables used in this approach. Comparables 2 and 3 both had some minor improvements as part of the parcel and expenses would be higher to maintain and insure the improvements.

Total Deeded Acres: <u>662.68</u>		Net Income / Cap Rate = Indicated Value	
<b>Gross Income:</b> \$ <u>27,076</u>	= \$ <u>40.86</u> / Acre	\$ <u>24,476</u> / <u>4.5000</u> %	= \$ <u>543,911</u>
<b>Expenses:</b> ( \$ <u>2,600</u> )	= \$ <u>3.92</u> / Acre	<b>Income Approach Indication = \$ 543,900</b>	
<b>Net Income:</b> \$ <u>24,476</u>	= \$ <u>36.93</u> / Acre		

### Sales Comparison Approach (1-5)

<b>Sale Data</b>	Sale Data	Subject	Sale #1 1	Sale #2 2	Sale #3 3	Sale #4 4	Sale #5 5
	Grantor (Seller)		Fraedrich Trust	Nelson, B.	Nelson, B.	Vafed, A.	Fatland, D.
	Grantee (Buyer)		Visto, G.	Carlson, D., etal	Matrinson, Randall	Jordheim, S.	Koenig, S.
	Source		Realtor's Files	Rec. Doc.	Rec. Doc.	Rec. Doc.	Rec. Doc.
	Date	Eff 12/11	04/11	11/09	09/09	06/11	04/10
	Eff Unit Size/Unit	662.68 / Acre	160	461	451	320	160
	Sale Price		196,000	415,000	310,000	156,000	48,000
	Finance Adjusted		Bank 0	Bank 0	Bank 0	Bank 0	C/D 0
	CEV Price		196,000	415,000	310,000	156,000	48,000
	Multiplier		30.63	30.74	23.22	16.12	10.20
Expense Ratio	11.72		22.96	23.83	16.54	10.20	

The Appraiser has cited sales of similar property to the subject and considered these in the market analysis. The description below includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and the sales documented. When significant items are superior to the property appraised, a negative adjustment is applied. If the item is inferior, a positive adjustment is applied. Thus, each sale is adjusted for the measurable dissimilarities and each sale producing a separate value indication. The indications from each sale are then reconciled into one indication of value for this approach.

CEV Price/ Acre		1,225.00	901.19	687.36	487.50	300.00
<b>LAND AND IMPROVEMENT ADJUSTMENTS</b>						
Land Adjustment		283.76	333.86	255.90	-5.01	140.02
Impvt. Adjustment		0.00	-8.60	-53.27	0.00	0.00
Adjusted Price		1,508.76	1,226.45	889.99	482.49	440.02

#### TIME ADJUSTMENTS

<input checked="" type="checkbox"/> Yr	<input type="checkbox"/> Mo	Periods				
<input checked="" type="checkbox"/> Smp	<input type="checkbox"/> Cmp	Rate				
<input type="checkbox"/> Auto	<input checked="" type="checkbox"/> Man	Time Adjustment				
		Time Adj. Price				

#### OTHER ADJUSTMENTS

Quality	Adjustment	-500.00	-200.00		300.00	300.00
Location	Adjustment		-300.00	-100.00		
Fence	Adjustment	-200.00				
	Adjustment					
	Adjustment					
Net Adjustments		-416	-175	103	295	440
<b>ADJUSTED PRICE</b>		809	726	790	783	740

**Analysis/Comments:** (Discuss positive and negative aspects of each sale as they affect value)  
See comments on Sales Comparison addendum.

**Sales Comparison Approach Summary:**

Property Basis (Value Range): \$ 540.00 to \$ 809.00  
 Unit Basis: \$ 800.00 / Acre X 662.68 Acre = \$ 530,144.00  
 Multiplier Basis: \$ 27,076.00 X 22.00 (multiple) = \$ 595,672.00

**Sales Comparison Indication:**  
 \$ 530,100

## Sales Comparison Comments

The sales of pasture land vary a great deal in this market. There are many reasons for this wide variation in prices. Some of the sales such as sale #2 envoled location. Comparable 2 had possible Sheyenne Grazing Association cattle grazing rights that may go with the property. These grazing rights are not an automatic right that transfers with the property, but rather criteria has to be met in order to recieve those rights. Comparable 2 had rights tograze in the pasture that adjoins the property on the north side. This means that there is a great deal of convenience in having the pasture so close to the headquarters. This allows the owner to drive the cattle to and from the pasture by basically opening a gate. This is the reason for adjusting comparable 2 for location. Comparable 3 was part of the same sale and it also has a good location and access, but cattle rights were not part of this sale.

Comparable 1 is a far superior pasture sale. This property was offered through a public bidding process. There were a total of 10 bidders, which indicates a good demand for pasture by livestock producers. The quarter section of pasture had new fence surrounding it and it was also cross fenced into 4 grazing cells. There was a new well with electricity to it along with a stock pond for watering. The property also had a corral for working cattle. This quarter section of pasture was able to support 65 cow/calf pairs during the grazing season through rotation. I made a larger negative adjustment for quality because of all of these features that are not found on the subject.

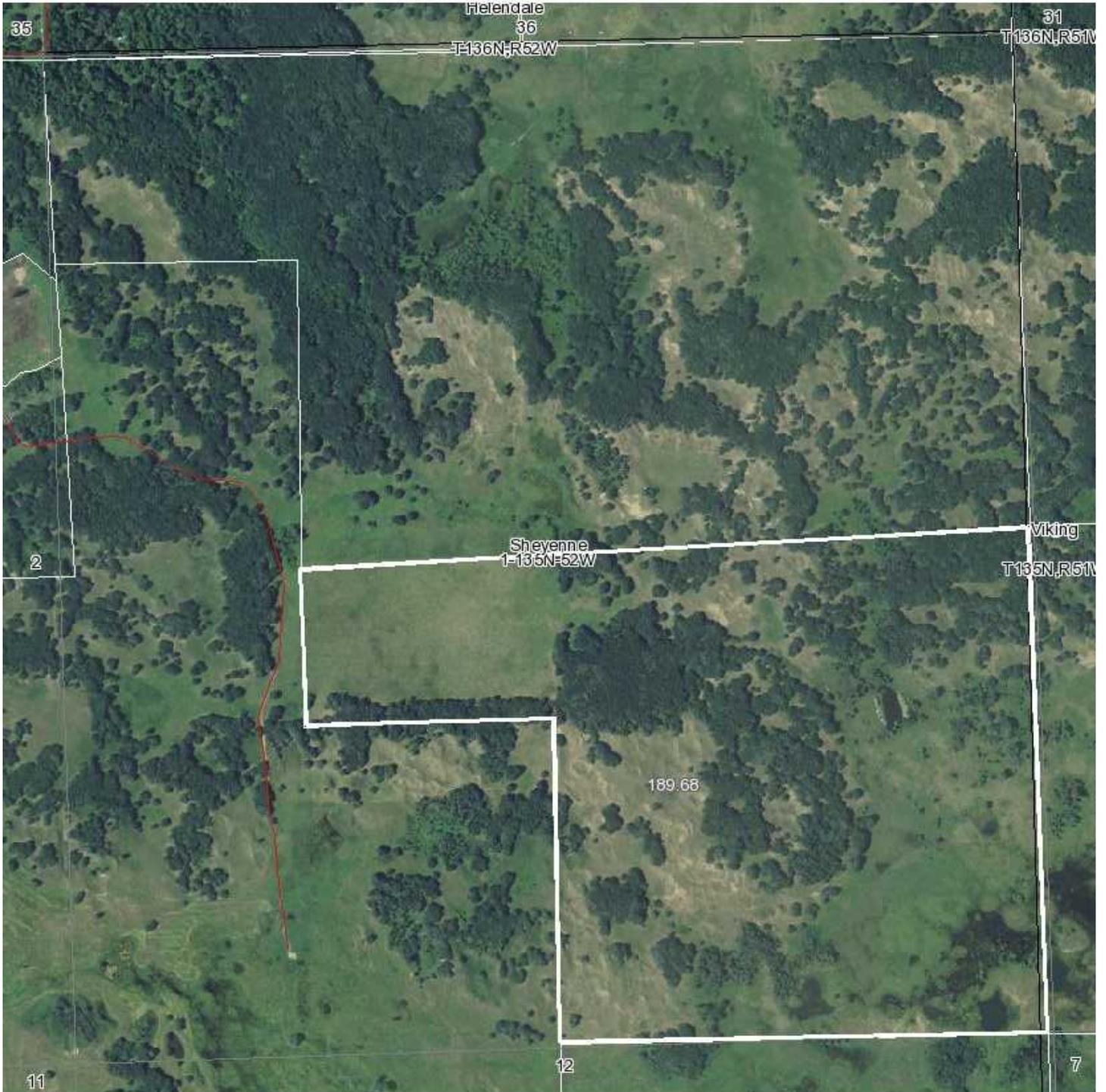
Comparable 4 is a sale of nearly level land that is partially used for cropland and pasture. This property is superior in that is nearly level and had no trees to reduce the amount of pasture area. I made a positive adjustment because of the very high water table on this land over the past several years has been a negative for grazing and cropping. The more rolling nature of the subject is better for grazing during high water table times like we have seen in the past several years.

Comparable 5 is a sale that is in close proximity to the pasture and cropland of the subject near Walcott. This property was purchased on a contract for deed with terms that did not favor the seller in that the buyer put \$15,000 down and a principal payment of \$5,000 plus 6% interest with a balloon in 2015. The productivity index is in the 20's on this parcel so it is extremely low.

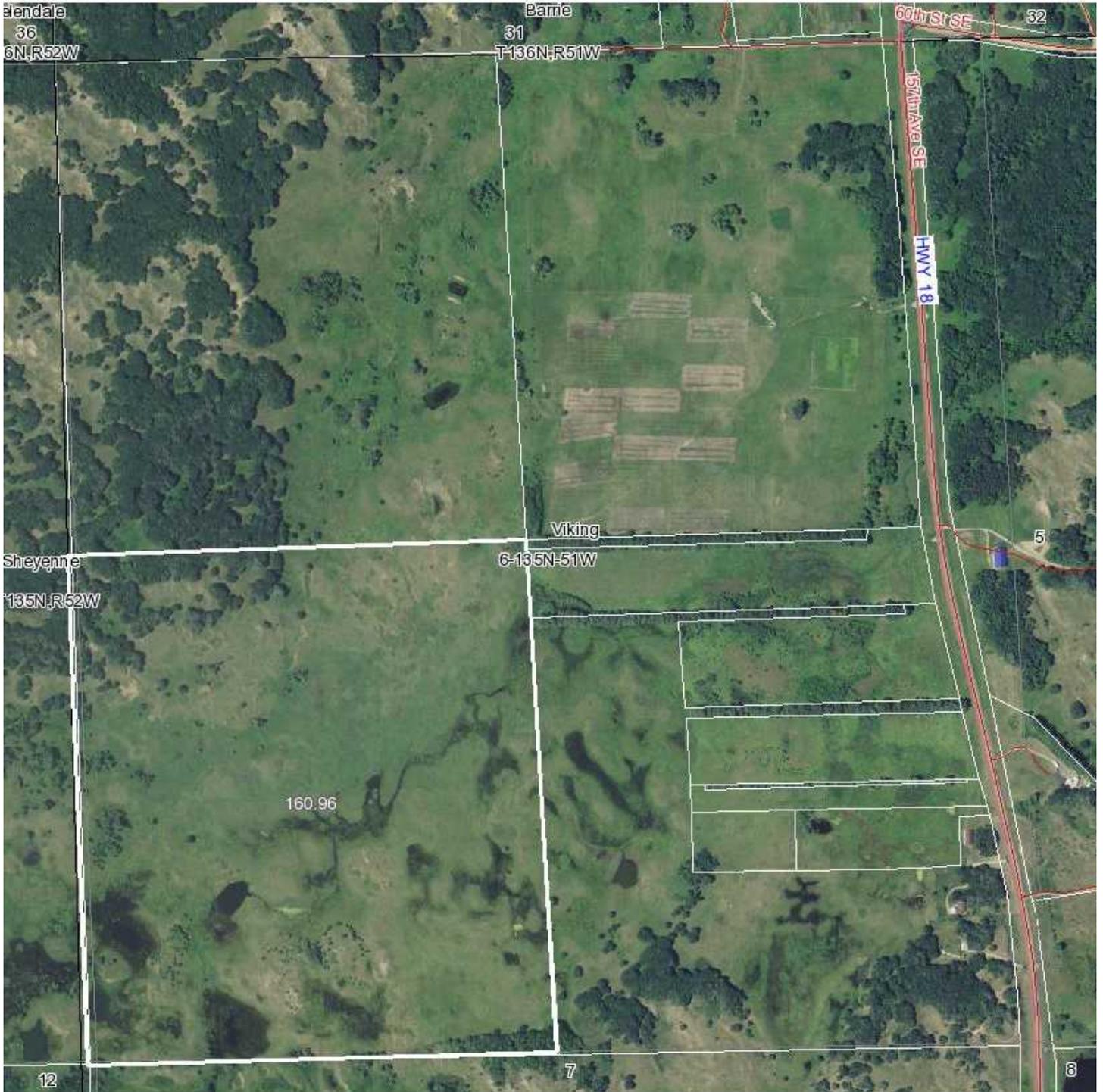
In arriving at the indicated value based on the sales comparasion approach, all of the comparables were considered and after adjusting them for the differences that fall within a relatively narrow range. The current agricultural economy was also an influence on the value estimate. Agriculture in general is very positive because of rising prices and good returns to producers. The value indication is near the high end of the range of values for this reason. The indicated value is:

**\$530,100**

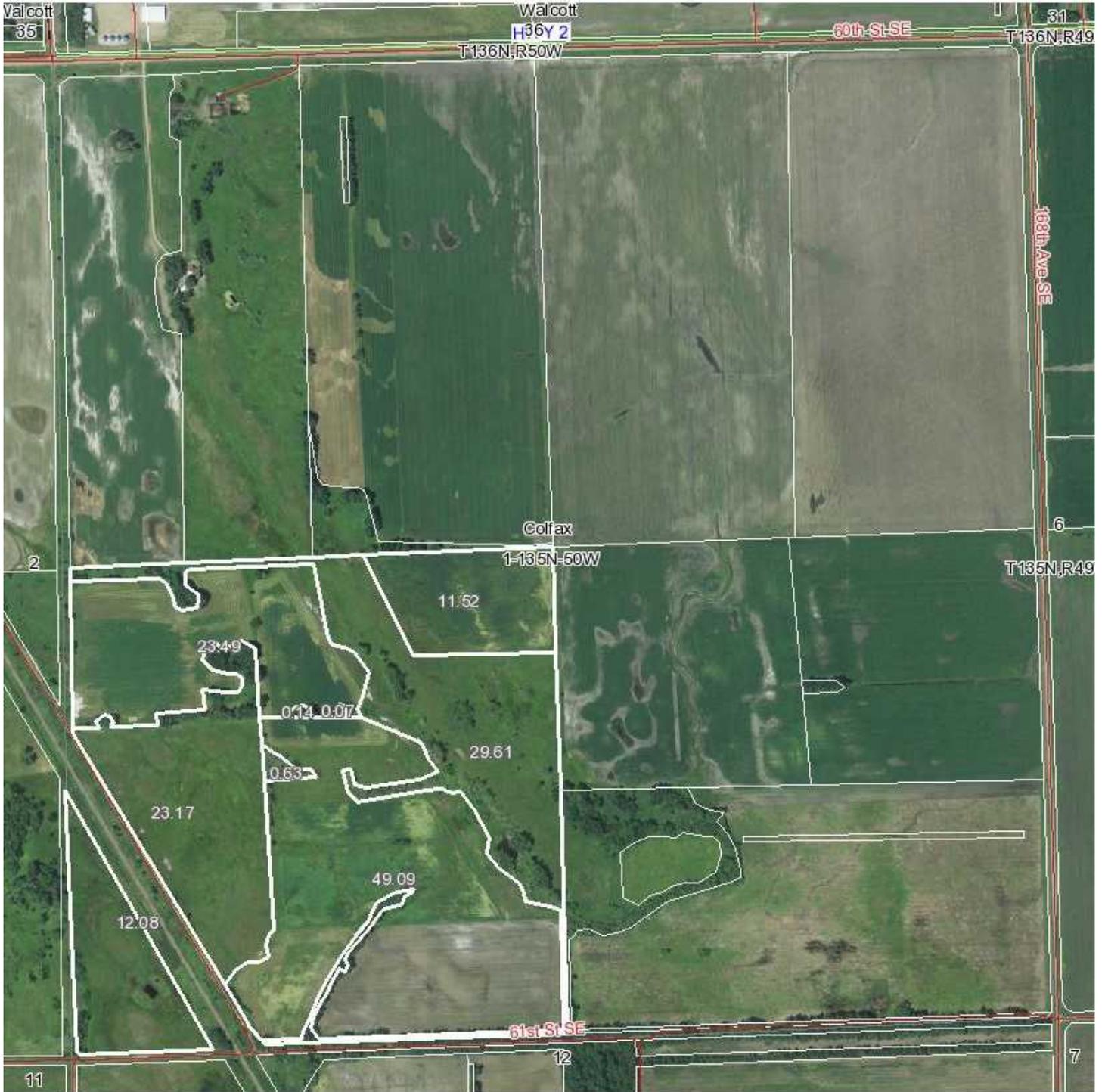
Subject--SE 1/4, NE 1/4 SW 1/4 1-135-52, Richland County, ND



Subject--SW 1/4 6-135-51, Richland County, ND



Subject--SW 1/4 1 135-50 (West of RR ROW), Richland County, ND



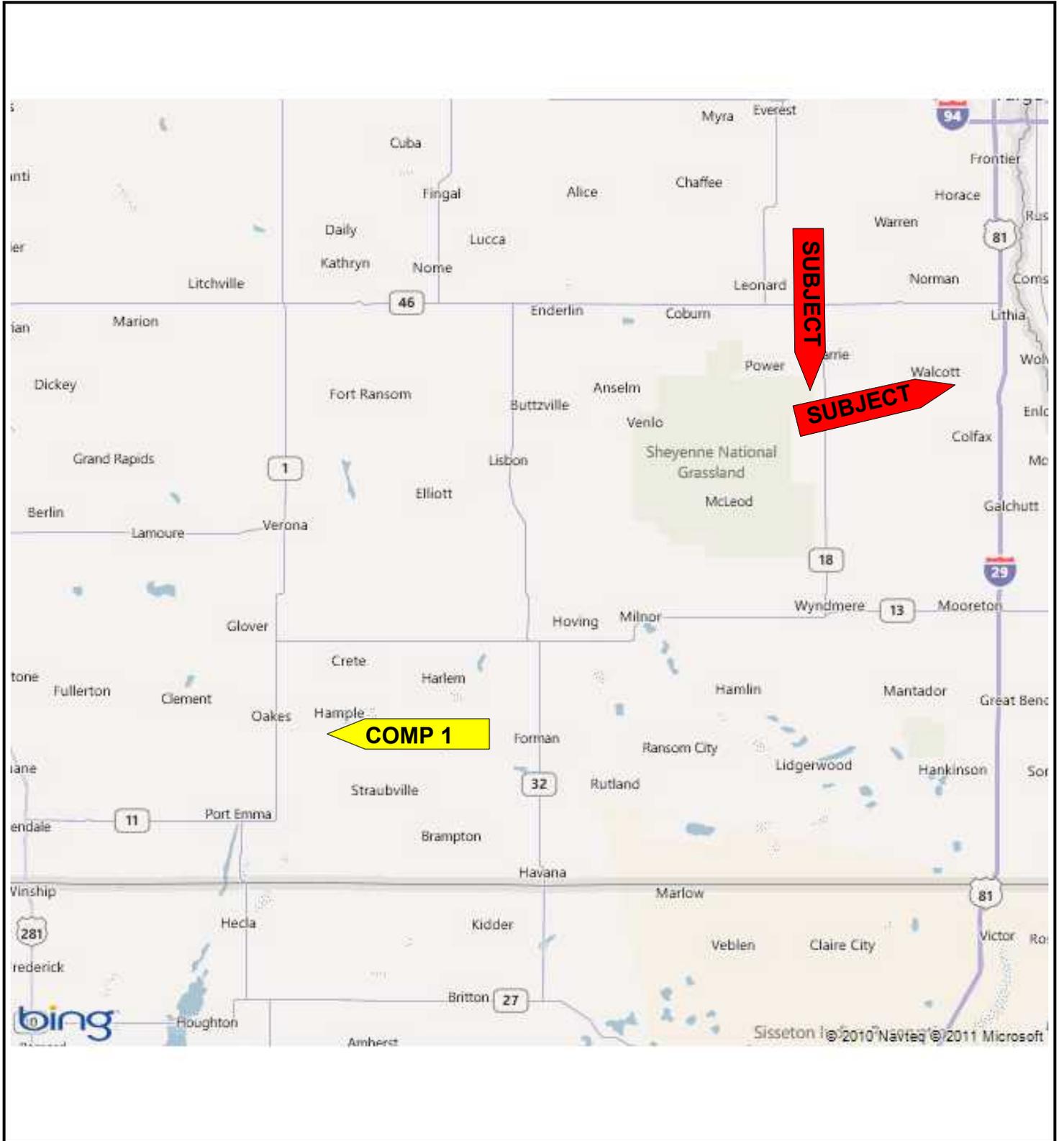
Subject--SW 1/4 12-135-50, Richland County, ND (West of RR)



### Map Addendum



### Map Addendum



Index #	Pasture	Database #	294	Sale #	1	Unimproved Sale
Grantor	Fraedrich Trust	Sales Price	196,000	Property Type	Pasture	
Grantee	Visto, G.	Other Contrib.		Primary Land Use	Pasture	
Deeded Acres	160.00	Net Sale Price	196,000			
Sale Date/DOM	04/25/11 /	\$/Deeded Acre	1225.00			
Prior Sale Date		Financing	Bank			
Prior CEV Price		% Fin. Adj.	0			
Analysis Code		CEV Price	196,000			
Source	Realtor's Files	SCA Unit Type				
Motivation	Expansion	Eff. Unit Size	160.00			
Highest & Best Use	Pasture land	SCA \$/Unit	1,225.00			
Address		Multiplier Unit	GIM			
City		Multiplier No.	30.63			
County	Sargent	Legal Access	Avg.			
State/Zip	ND /	Physical Access	Avg.			
Region/Area/Zone	/ /	View		Tax ID/Recording		
Location	Jackson Twp.	Utilities	Elec.	Sec/Twp/Rge	15 / 130 / 58	
Legal Description:	SW 1/4 15-130-58					

**Land-Mix Analysis**

Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value
Dryland cropland	100 %	Ac.	2,722.22		X \$	= \$	
Non Cropland	20 %	Ac.	544.44		X \$	= \$	
CRP Cropland	60 %	Ac.	1,633.33		X \$	= \$	
Pasture land	45 %	160.00	Ac. 1,225.00		X \$	= \$	196,000
Trees, Roads, Waste	20 %	Ac.	544.44		X \$	= \$	
Building Site	100 %	Ac.	2,722.22		X \$	= \$	
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
<b>Totals</b>		160.00	Ac. 1,225.00		X \$	= \$	196,000
<b>CEV Price \$</b>	196,000	<b>- Land Contribution \$</b>		196,000	<b>= Improvement Contribution \$</b>		

**Cost and Depreciation Summary**

Physical Depreciation	_____ %	Functional Obsolescence	_____ %	External Obsolescence	_____ %	Total Depreciation	_____ %
Total RCN \$	_____	Total Improvement Contribution:	\$ _____	Improvement As % of Price	_____ %		

**Income Summary**

Summary Total Expenses	_____ 750 _____	/ Stabilized G.I.	_____ 6,400 _____	= Expense Ratio	_____ 11.72 _____ %	<b>Total Expenses = \$</b>	_____ 750 _____
Net Income	_____ 5,650 _____	/ CEV Price	_____ 196,000 _____	= Cap Rate	_____ 2.88 _____ %	<b>Net Income = \$</b>	_____ 5,650 _____

This pasture is divided into 4 separate cells with barbed wire fencing. There is also a new well along with a dugout for livestock watering sources. There is also a small corral located in the southwest corner of the property for working cattle. The property has been handling 65 cow calf pairs over the past several years because of the use of the cell rotation.

This property was sold through a public bidding process with 10 active bidders at the oral bidding. The property is an outstanding quarter section of pasture that is superior to most pastures in the market area.



Comp # 1-SW 1/4 15-130-58



Index #	Pasture	Database #	143	Sale #	2	Improved Sale
Grantor	Nelson, B.	Sales Price	415,000	Property Type	Pasture	
Grantee	Carlson, D., etal	Other Contrib.		Primary Land Use	Pasture	
Deeded Acres	460.50	Net Sale Price	415,000			
Sale Date/DOM	10/29/09 /	\$/Deeded Acre	901.19			
Prior Sale Date		Financing	Bank			
Prior CEV Price		% Fin. Adj.	0			
Analysis Code		CEV Price	415,000			
Source	Rec. Doc.	SCA Unit Type	Acre			
Motivation	Expansion	Eff. Unit Size	460.50			
Highest & Best Use	N/A	SCA \$/Unit	901.19			
Address		Multiplier Unit	GIM			
City		Multiplier No.	30.74			
County	Ransom	Legal Access	Good			
State/Zip	ND /	Physical Access	Good			
Region/Area/Zone	/ /Agricultural	View		Tax ID/Recording		
Location	Sandoun Twp.	Utilities		Sec/Twp/Rge	1 / 134 / 53	
Legal Description:	S 1/2 NE 1/4, SE 1/4 1-134-53, S 1/2 NW 1/4, SW 1/4 6-134-52					

**Land-Mix Analysis**

Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value
Dryland cropland	100 %	Ac.	2,825.00		X \$	= \$	
Non Cropland	10 %	Ac.	282.50		X \$	= \$	
CRP Cropland	40 %	Ac.	1,130.00		X \$	= \$	
Pasture land	30 %	450.00 Ac.	847.50		X \$	= \$	381,375
Trees, Roads, Waste	10 %	Ac.	282.50		X \$	= \$	
Building Site	100 %	10.50 Ac.	2,825.00		X \$	= \$	29,663
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
<b>Totals</b>		460.50 Ac.	892.59		X \$	= \$	411,038
<b>CEV Price \$</b>	415,000	<b>- Land Contribution \$</b>		411,038	<b>= Improvement Contribution \$</b>		3,962

**Cost and Depreciation Summary**

Physical Depreciation	85 %	Functional Obsolescence	0 %	External Obsolescence	0 %	Total Depreciation	85 %
Total RCN \$	30,720	Total Improvement Contribution: \$	4,608	Improvement As % of Price	1 %		

**Income Summary**

Summary Total Expenses	3,100	/ Stabilized G.I.	13,500	= Expense Ratio	22.96 %	Total Expenses = \$	3,100
Net Income	10,400	/ CEV Price	415,000	= Cap Rate	2.51 %	Net Income = \$	10,400

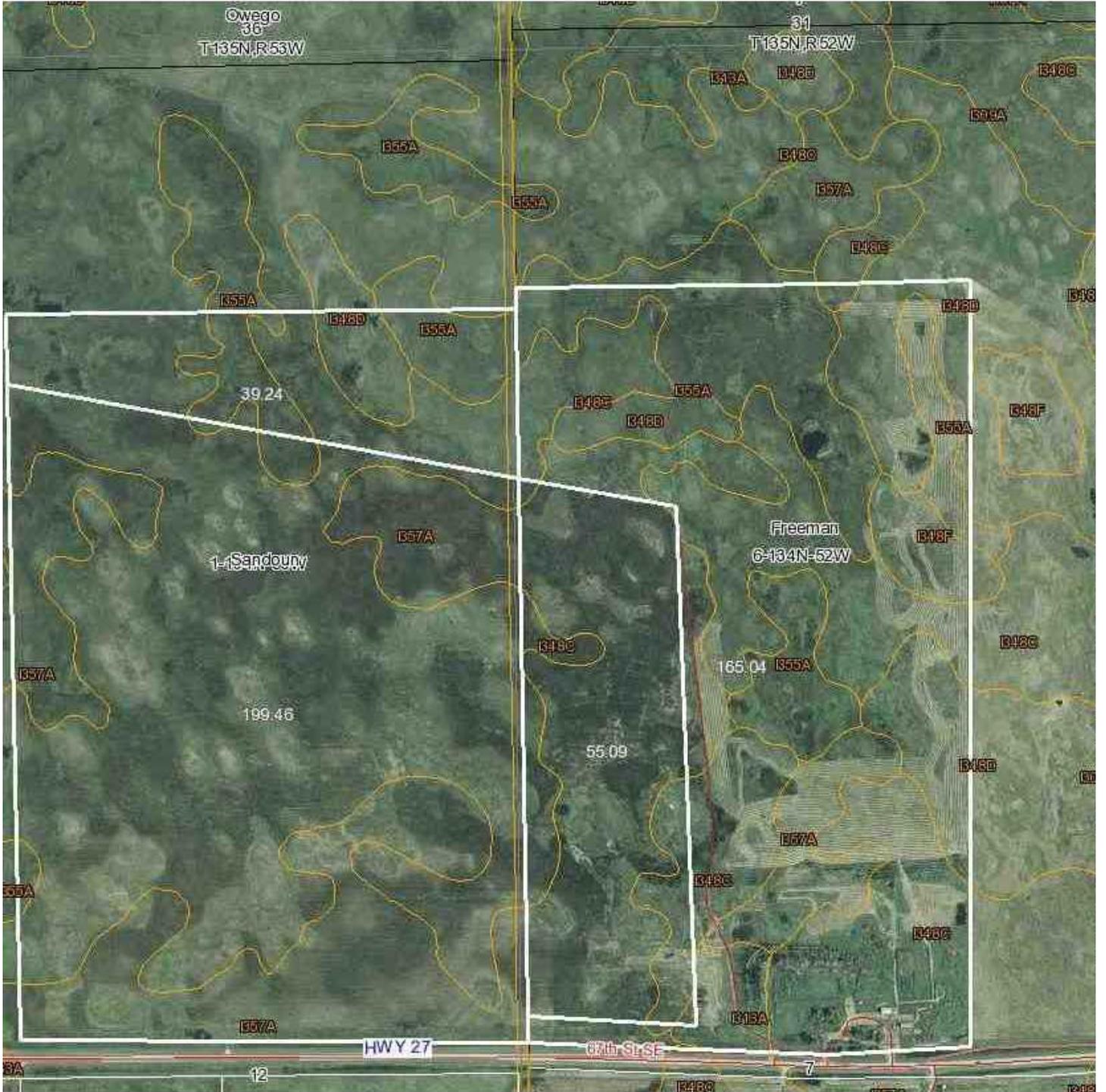
Property Description: The subject property consists of 460.5 deeded acres. The property is located along North Dakota Sate Highway 27 approximately 19 miles east of Lisbon, ND. The property is bordered on the west, north and east sides by the Sheyenne National Grasslands, which is owned by the Federal Government and is leased to local ranchers for grazing. The grazing rights for the pasture land being purchased are pasture surrounding the subject property. There is a total of 450 acres of private pasture land on the subject along with a 10.50 acre building site with older buildings and corrals that add little value to the property. The soils found on the pasture land are mainly Ulen and Rosewood soils with a productivity index of 38.7. This shows that the best use of this land would be for pasture and native grasses.

Land Comments: See above comments concerning subject property.

Improvement Comments: There are only two buildings on the farm site that add any value to the property and they are a 32' x 48' pole framed building that is estimated to be 30 years old and it is in fair condition. The second building is a wood framed quonset building that is estimated to be 50 years old. The structure is straight but the ends need to be painted and a new roof is needed. There are also corrals but all of them are in poor condition and



Comp #2-S 1/2 NE 1/4, SE 1/4 1-134-53, S 1/2 NW 1/4, SW 1/4 6-134-52



Index #	Pasture	Database #	144	Sale #	3	Improved Sale
Grantor	Nelson, B.	Sales Price	310,000	Property Type	Pasture	
Grantee	Matrinson, Randall	Other Contrib.		Primary Land Use	Pasture	
Deeded Acres	451.00	Net Sale Price	310,000			
Sale Date/DOM	09/01/09 /	\$/Deeded Acre	687.36			
Prior Sale Date		Financing	Bank			
Prior CEV Price		% Fin. Adj.	0			
Analysis Code		CEV Price	310,000			
Source	Rec. Doc.	SCA Unit Type				
Motivation	Expansion	Eff. Unit Size	451.00			
Highest & Best Use	Pasture	SCA \$/Unit	687.36			
Address		Multiplier Unit	GIM			
City	McLeod	Multiplier No.	23.22			
County	Richland	Legal Access	Good			
State/Zip	ND /	Physical Access	Good			
Region/Area/Zone	/ /	View		Tax ID/Recording		
Location	Freeman Twp.	Utilities	Avg.	Sec/Twp/Rge	7 / 134 / 52	
Legal Description:	N 1/2 SE 1/4, NE 1/4, N 1/2 SW 1/4, NW 1/4 7-134-52, Richland County, ND					

**Land-Mix Analysis**

Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value
Dryland cropland	100 %	Ac.	2,050.00		X \$	= \$	
Non Cropland	10 %	Ac.	205.00		X \$	= \$	
CRP Cropland	40 %	Ac.	820.00		X \$	= \$	
Pasture land	30 %	445.00 Ac.	615.00		X \$	= \$	273,675
Trees, Roads, Waste	10 %	Ac.	205.00		X \$	= \$	
Building Site	100 %	6.00 Ac.	2,050.00		X \$	= \$	12,300
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
<b>Totals</b>		451.00 Ac.	634.09		X \$	= \$	285,975
<b>CEV Price \$</b>	310,000	<b>- Land Contribution \$</b>		285,975	<b>= Improvement Contribution \$</b>		24,025

**Cost and Depreciation Summary**

Physical Depreciation	86 %	Functional Obsolescence	0 %	External Obsolescence	0 %	Total Depreciation	86 %
Total RCN \$	162,000	Total Improvement Contribution:	\$ 23,400	Improvement As % of Price			8 %

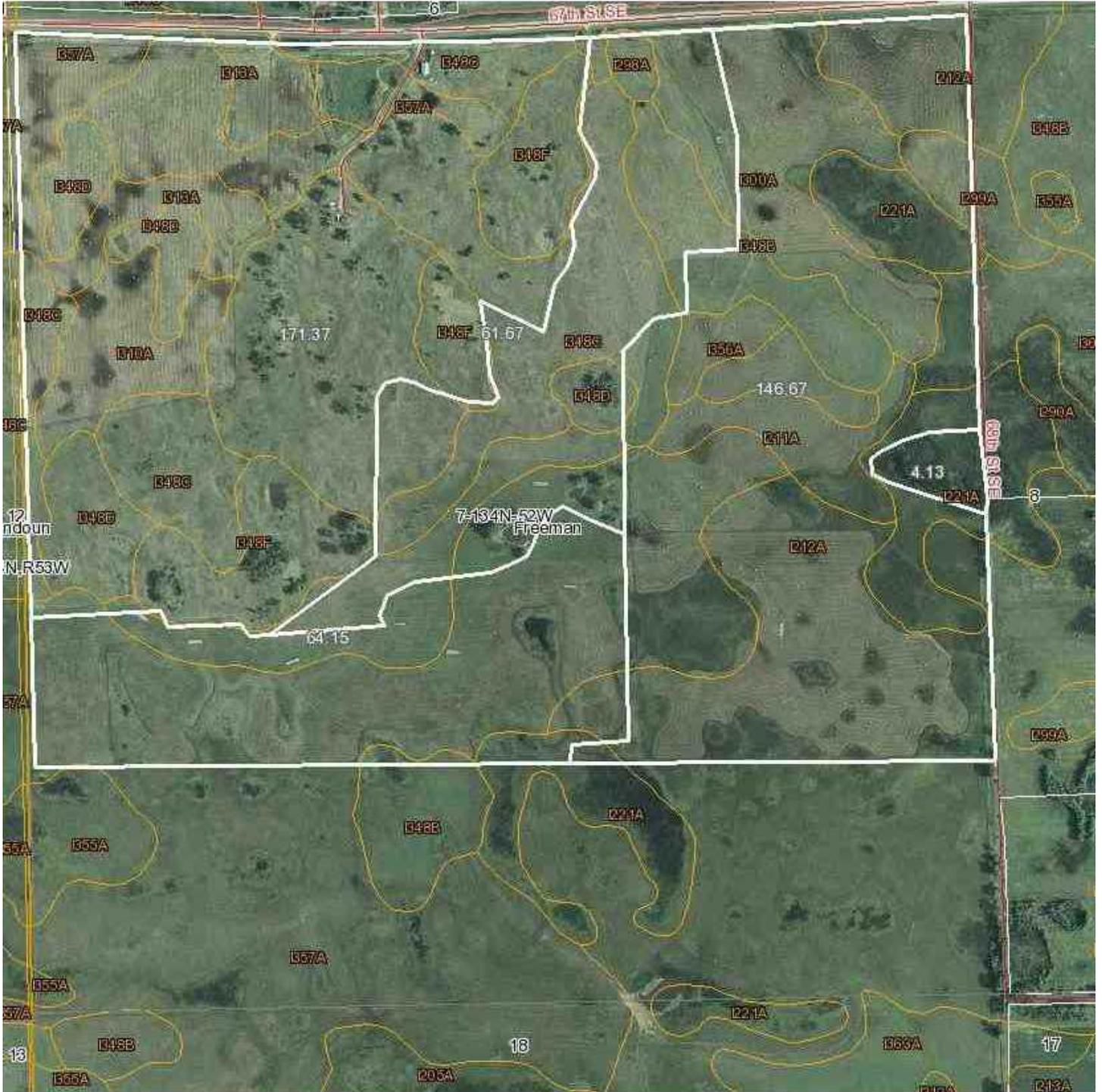
**Income Summary**

Summary Total Expenses	3,181	/ Stabilized G.I.	13,350	= Expense Ratio	23.83 %	Total Expenses = \$	3,181
Net Income	10,169	/ CEV Price	310,000	= Cap Rate	3.28 %	Net Income = \$	10,169

Comments	
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Comp #3-N1/2 SE 1/4, NE 1/4, N 1/2 SW 1/4, NW 1/4 7-134-52



Index #	Pasture	Database #	265	Sale #	4	Unimproved Sale
Grantor	Vafed, A.	Sales Price	156,000	Property Type	Pasture	
Grantee	Jordheim, S.	Other Contrib.		Primary Land Use	Pasture	
Deeded Acres	320.00	Net Sale Price	156,000			
Sale Date/DOM	06/08/11 /	\$/Deeded Acre	487.50			
Prior Sale Date		Financing	Bank			
Prior CEV Price		% Fin. Adj.	0			
Analysis Code		CEV Price	156,000			
Source	Rec. Doc.	SCA Unit Type				
Motivation	Expansion	Eff. Unit Size	320.00			
Highest & Best Use	Pasture	SCA \$/Unit	487.50			
Address		Multiplier Unit	GIM			
City		Multiplier No.	16.12			
County	Richland	Legal Access	Avg.			
State/Zip	ND /	Physical Access	Avg.			
Region/Area/Zone	/ /	View		Tax ID/Recording	336489	
Location	Freeman Twp.	Utilities		Sec/Twp/Rge	16 / 134 / 52	
Legal Description:	W 1/2 16-134-52					

**Land-Mix Analysis**

Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value
Dryland cropland	100 %	65.80	Ac. 1,111.38		X \$	= \$	73,129
Non Cropland	10 %	8.47	Ac. 111.14		X \$	= \$	941
CRP Cropland	40 %		Ac. 444.55		X \$	= \$	
Pasture land	30 %	245.73	Ac. 333.41		X \$	= \$	81,929
Trees, Roads, Waste	10 %		Ac. 111.14		X \$	= \$	
Building Site	100 %		Ac. 1,111.38		X \$	= \$	
	%		Ac.		X \$	= \$	
	%		Ac.		X \$	= \$	
	%		Ac.		X \$	= \$	
	%		Ac.		X \$	= \$	
<b>Totals</b>		320.00	Ac. 487.50		X \$	= \$	155,999
<b>CEV Price \$</b>	156,000	<b>- Land Contribution \$</b>		155,999	<b>= Improvement Contribution \$</b>		1

**Cost and Depreciation Summary**

Physical Depreciation	_____ %	Functional Obsolescence	_____ %	External Obsolescence	_____ %	Total Depreciation	_____ %
Total RCN \$	_____	Total Improvement Contribution:	\$ _____	Improvement As % of Price	_____ %		

**Income Summary**

Summary Total Expenses	1,600	/ Stabilized G.I.	9,675	= Expense Ratio	16.54 %	<b>Total Expenses = \$</b>	1,600
Net Income	8,075	/ CEV Price	156,000	= Cap Rate	5.18 %	<b>Net Income = \$</b>	8,075

This land is nearly level and it has primarily Arveson loam soils, which are class III soils, but they are saline type soils with limited production capabilities. High water tables is also another negative factor of this soil type and the location of this property. The average productivity index for this property is 53.4



Comp #4-W 1/2 16-134-52



Index #	Pasture	Database #	264	Sale #	5	Unimproved Sale
Grantor	Fatland, D.	Sales Price	48,000	Property Type	Pasture	
Grantee	Koenig, S.	Other Contrib.		Primary Land Use	Pasture	
Deeded Acres	160.00	Net Sale Price	48,000			
Sale Date/DOM	04/20/10 /	\$/Deeded Acre	300.00			
Prior Sale Date		Financing	C/D			
Prior CEV Price		% Fin. Adj.	0			
Analysis Code		CEV Price	48,000			
Source	Rec. Doc.	SCA Unit Type				
Motivation	Expansion	Eff. Unit Size	160.00			
Highest & Best Use	Pasture	SCA \$/Unit	300.00			
Address		Multiplier Unit	GIM			
City		Multiplier No.	10.20			
County	Richland	Legal Access	Avg.			
State/Zip	ND /	Physical Access	Avg.			
Region/Area/Zone	/ /	View		Tax ID/Recording	336087	
Location	Colfax West Twp.	Utilities		Sec/Twp/Rge	2 / 135 / 50	
Legal Description:	SW 1/4 2-135-50					

**Land-Mix Analysis**

Land Use	Ratios	Acres	\$/Acre	Unit Size	Unit Type	\$/Unit	Total Unit Value
Dryland cropland	100 %	Ac. 1,013.51			X \$	= \$	
Non Cropland	10 %	3.20 Ac.	101.35		X \$	= \$	324
CRP Cropland	40 %	Ac. 405.41			X \$	= \$	
Pasture land	30 %	156.80 Ac.	304.05		X \$	= \$	47,675
Trees, Roads, Waste	10 %	Ac. 101.35			X \$	= \$	
Building Site	100 %	Ac. 1,013.51			X \$	= \$	
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
	%	Ac.			X \$	= \$	
<b>Totals</b>		160.00 Ac.	300.00		X \$	= \$	47,999
<b>CEV Price \$</b>	48,000	<b>- Land Contribution \$</b>	47,999	<b>= Improvement Contribution \$</b>			1

**Cost and Depreciation Summary**

Physical Depreciation _____%	Functional Obsolescence _____%	External Obsolescence _____%	Total Depreciation _____%
Total RCN \$ _____	Total Improvement Contribution: \$ _____	Improvement As % of Price _____%	

**Income Summary**

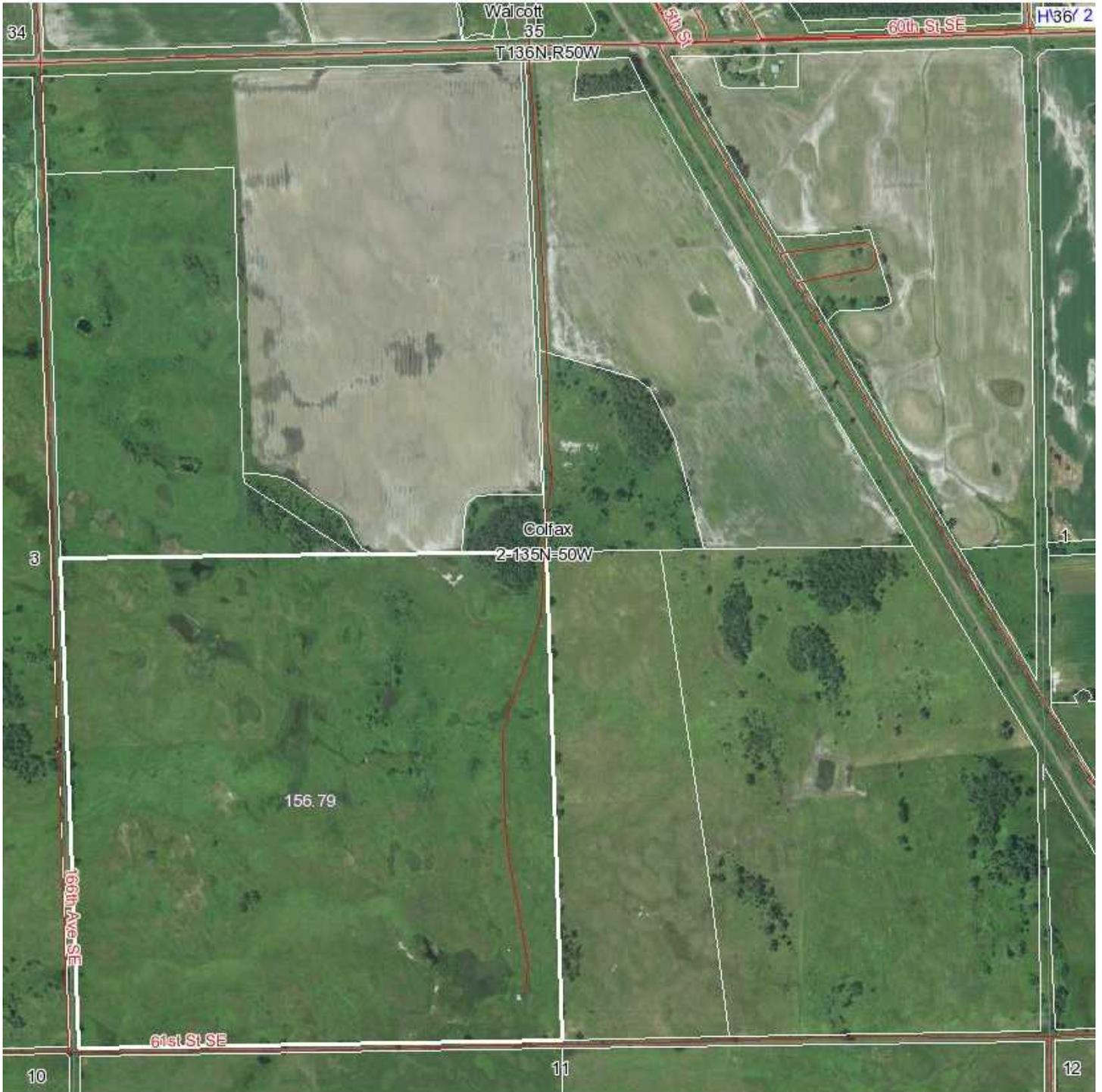
Summary Total Expenses _____ 480 / Stabilized G.I. _____ 4,704 = Expense Ratio _____ 10.20 %	<b>Total Expenses = \$ _____ 480</b>
Net Income _____ 4,224 / CEV Price _____ 48,000 = Cap Rate _____ 8.80 %	<b>Net Income = \$ _____ 4,224</b>

This property is all native grass. The soils are primarily Serden-Espelie complex with topogrphay ranging from 0-15%. The soils are primarily Class V soils with soil productivity indexes in the low 20's. The overall crop productivity index is 35.

The property was purchased with a contract for deed and the terms were-\$15,000 down, \$5,000 plus interest at the rate of 6%, with a balloon due April 1, 2015.



Comp #5-SW 1/4 2-135-50



## Reconciliation and Opinion of Value

Summary

<b>Cost Approach</b> .....	\$	538,359
<b>Income Approach</b> .....	\$	543,900
<b>Sales Comparison Approach</b> .....	\$	530,100

Discussion & Correlation of Values

**Analysis of Each Approach and Opinion of Value:** The three approaches to value are used in this appraisal. The cost approach is based on the theory that the sum of the parts will equal the whole. Land is broken into classes and values are placed on the different classes of land. The improvements are also broken down and the cost to replace the improvement is determined and then the depreciation is subtracted from the replacement cost to arrive at a contributory value for the improvements and then that is added to the land to arrive at a cost approach estimate of value. I used Marshall Valuation service along with local contractors and suppliers cost figures to determine the replacement cost of the improvements.

The income approach is the second approach to value. I used cash rents for the cropland and pasture. The cash rents used are based on all of the comparables land use and on improvements, land and production capabilities of the land. Once a gross income for the property is arrived at, then expenses must be deducted from the gross income to arrive at the net income for the property. Net income is divided by a capitalization rate that is determined from comparable sales of similar land and the cap rate for those sales. The five sales used all have cap rates that were determined on the sales analysis page and an overall cap rate for all of the comparables is applied to the net income of the subject property. This will give a Market Value based on the Income Approach.

The market approach takes similar sales and makes adjustments to the sales to arrive at a Market value based on comparable sales. No two properties are alike so most sales need to be adjusted in order to arrive at an adjusted value. The five sales used in this appraisal are reconciled into a single value per acre that value per acre is multiplied by the acres in the subject property to arrive at a Market Value based on a sales comparison.

All three approaches are then reconciled to arrive at a final value estimate for the subject property. In this appraisal, I am placing the greatest weight on the Income and Market Approaches. The income gives a good view of what investors are looking at for a return on their investment and the sales comparison approach show what the market is paying for similar properties. Based on this, my final value estimate for the subject property in this appraisal is:

Allocation of Value

<b>Opinion Of Value -</b> (Estimated Marketing Time 3 months, see attached)	\$	540,000
Cost of Repairs	\$	_____
Cost of Additions	\$	_____
<b>Allocation:</b> (Total Deeded Units: 662.68 )	Land:	\$ 540,000 \$ 815 / Acre ( 100 %)
	Land Improvements:	\$ 0 / ( 0 %)
	Structural Improvement Contribution:	\$ 0 / ( 0 %)
<b>Value Estimate of Non-Realty Items:</b>		
Value of Personal Property (local market basis)	\$	_____
Value of Other Non-Realty Interests:	\$	_____
Non-Realty Items:	\$	0 / ( 0 %)
Leased Fee Value (Remaining Term of Encumbrance )	\$	0 / ( 0 %)
Leasehold Value	\$	0 / ( 0 %)
<b>Overall Value</b>	\$	<b>540,000 \$ 815 / ( 100 %)</b>

## MARKET VALUE DEFINITION

Regulations published by federal regulatory agencies pursuant to title XI of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA)

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

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure on the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Other:

## EXPOSURE AND MARKETING TIME ESTIMATES

Market value (see above definition) conclusion and the costs and other estimates used in arriving at conclusion of value is as of the date of the appraisal. Because markets upon which these estimates and conclusions are based upon are dynamic in nature, they are subject to change over time. Further, the report and value conclusion is subject to change if future physical, financial, or other conditions differ from conditions as of the date of appraisal.

In applying the market value definition to this appraisal, a reasonable exposure time of 1-3 months has been estimated. Exposure time is the estimated length of time the property interest being appraised would have been offered in the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; exposure time is always presumed to **precede** the effective date of the appraisal.

Marketing time, however, is an estimate of the amount of time it takes to sell a property interest at the market value conclusion during the period **after** the effective date of the appraisal. An estimate of marketing time is not intended to be a prediction of a date of sale. It is inappropriate to assume that the value as of the effective date of appraisal remains stable during a marketing period. Additionally, the appraiser(s) have considered market factors external to this appraisal report and have concluded that a reasonable marketing time for the property is 3 months.

Comments:

## Assumptions and Limiting Conditions

The certification of the Appraiser(s) appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth in the report.

1. The Appraiser(s) assume no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser(s) render any opinion as to title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.
2. Sketches in the report may show approximate dimensions and are included only to assist the reader in visualizing the property. The Appraiser(s) have made no survey of the property. Drawings and/or plats are not represented as an engineer's work product, nor are they provided for legal reference.
3. The Appraiser(s) are not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made.
4. Any distribution of the valuation in the report applies only under the existing program of utilization. The separate valuations of components must not be used outside of this appraisal and are invalid if so used.
5. The Appraiser(s) have, in the process of exercising due diligence, requested, reviewed, and considered information provided by the ownership of the property and client, and the Appraiser(s) have relied on such information and assumes there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The Appraiser(s) assume no responsibility for such conditions, for engineering which might be required to discover such factors, or the cost of discovery or correction.
6. While the Appraiser(s)  have  have not inspected the subject property and  have  have not considered the information developed in the course of such inspection, together with the information provided by the ownership and client, the Appraiser(s) are not qualified to verify or detect the presence of hazardous substances by visual inspection or otherwise, nor qualified to determine the effect, if any, of known or unknown substances present. Unless otherwise stated, the final value conclusion is based on the subject property being free of hazardous waste contaminations, and it is specifically assumed that present and subsequent ownerships will exercise due diligence to ensure that the property does not become otherwise contaminated.
7. Information, estimates, and opinions furnished to the Appraiser(s), 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 the Appraiser(s) can be assumed by the Appraiser(s).
8. Unless specifically cited, no value has been allocated to mineral rights or deposits.
9. Water requirements and information provided has been relied on and, unless otherwise stated, it is assumed that:
  - a. All water rights to the property have been secured or perfected, that there are no adverse easements or encumbrances, and the property complies with Bureau of Reclamation or other state and federal agencies;
  - b. Irrigation and domestic water and drainage system components, including distribution equipment and piping, are real estate fixtures;
  - c. Any mobile surface piping or equipment essential for water distribution, recovery, or drainage is secured with the title to real estate; and
  - d. Title to all such property conveys with the land.
10. Disclosure of the contents of this report is governed by applicable law and/or by the Bylaws and Regulations of the professional appraisal organization(s) with which the Appraiser(s) are affiliated.
11. Neither all nor any part of the report, or copy thereof, shall be used for any purposes by anyone but the client specified in the report without the written consent of the Appraiser.
12. Where the appraisal conclusions are subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner consistent with the plans, specifications and/or scope of work relied upon in the appraisal.
13. Acreage of land types and measurements of improvements are based on physical inspection of the subject property unless otherwise noted in this appraisal report.
14. EXCLUSIONS. The Appraiser(s) considered and used the three independent approaches to value (cost, income, and sales comparison) where applicable in valuing the resources of the subject property for determining a final value conclusion. Explanation for the exclusion of any of the three independent approaches to value in determining a final value conclusion has been disclosed in this report.
15. SCOPE OF WORK RULE. The scope of work was developed based on information from the client. This appraisal and report was prepared for the client, at their sole discretion, within the framework of the intended use. The use of the appraisal and report for any other purpose, or use by any party not identified as an intended user, is beyond the scope of work contemplated in the appraisal, and does not create an obligation for the Appraiser.
16. Acceptance of the report by the client constitutes acceptance of all assumptions and limiting conditions contained in the report.
17. Other Contingent and Limiting Conditions:

### Appraiser Certification

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

- 1. the statements of fact contained in this report are true and correct;
- 2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions, and conclusions;
- 3. I have no (or the specified) present or prospective interest in the property that is the subject of this report, and no (or the specified) personal interest or bias with respect to the parties involved;
- 4. I have no bias with respect to the property that is the subject of this report or to the parties involved in this assignment;
- 5. my engagement in this assignment was not contingent upon developing or reporting predetermined results;
- 6. my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of 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;
- 7. the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan;
- 8. my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice;
- 9. I  have  have not made a personal inspection of the property that is the subject of this report;
- 10. no one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)

Others:

Effective Date of Appraisal: 12/14/11

**Opinion of Value:** \$ 540,000

**Appraiser:**

Signature: Bruce A. Fadness

Name: Bruce A. Fadness  
 License#: \_\_\_\_\_  
 Certification#: ND-CG-1131

Date Signed: 01/05/12

Property Inspection	Inspection Date	Qualifications Attached
<input checked="" type="checkbox"/> Yes	<u>12/14/11</u>	<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> No		<input type="checkbox"/> No

Appraiser has  inspected  verified  analyzed the sales contained herein.

Appraiser's Qualifications-Page 1

**BRUCE A. FADNESS**  
**Certified General Real Property Appraiser**  
**ND-CG-1131, MN-AP-20570147**  
**North Dakota and Minnesota Licensed Real Estate Broker**

**RESUME**

**EDUCATION**

Four Year Bachelor of Science Degree—Composite Major-Business Education-Valley City State College.

**REAL ESTATE EXPERIENCE AND EDUCATION**

Received North Dakota Real Estate Sales Agent License—March, 1986

Successful completion of Graduate Realtor's Institute I—April, 1987

Successful completion of Graduate Realtors Institute II—March 1989

Received North Dakota Real Estate Brokers License—July, 1990

Employed by Harvey Trapp Agency-March 1986 through March 1995

Started my own business, **FADNESS REALTY AND APPRAISAL**—April, 1995

**APPRAISAL EXPERIENCE AND EDUCATION**

Experienced appraising real estate since 1986.

Received Certified General Real Property Appraiser's License—March, 1994

Completion of over 2500 single family residential, 600 agricultural and 200 commercial appraisals.

Successful completion of University of North Dakota Course—Real Estate Appraisal

Successful completion of FIRREA—Overview and practical application.

Successful completion of Environmental liabilities and risk management in Real Estate.

Current member of National Association of Real Estate Appraisers.

## Appraiser's Qualifications-Cont'd

**APPROVED APPRAISER LIST AND AMC LIST**

Federal Housing Administration

Bank of North Dakota

USDA Rural Development

Gate City Savings Bank

First Community Credit Union

Bremer Bank

Farm Service Agency

State Bank of Fargo

Many smaller mortgage lenders and banks in the immediate area.

**AMC'S**

Appraisal Port

Appraisal Firewall

RELS-Valuation Support Services

Mortgage Information Services

StreetLinks

Elenders Solutions

IMortgage Services

MDA Lending Solutions

**I am licensed to provide residential, agricultural and commercial appraisals in North Dakota and Minnesota.**

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**Bruce A. Fadness**

**Real Estate Broker/Certified General Real Property Appraiser**

**North Dakota License—ND-CG-1131 Minnesota License—AP-20570147**

License Page



Engagement Letter-P. 1

1707 North 9th Street  
PO Box 5523  
Bismarck, ND 58506-5523  
Phone: (701) 328-2800  
Fax: (701) 328-3650

[www.land.nd.gov](http://www.land.nd.gov)  
[www.nd.gov](http://www.nd.gov)



November 8, 2011

BRUCE FADNESS  
FADNESS REALTY & APPRAISAL  
PO BOX 726  
LISBON ND 58504-0726

Re: Appraisal of land located in:

- Richland County**
- Township 135 North, Range 52 West  
Section 1: SE4, NE4SW4
- Township 135 North, Range 51 West  
Section 6: E2SW4, Lots 6 & 7 (SW4)
- Township 135 North, Range 50 West  
Section 1: SW4 less railroad right-of-way  
Section 12: SW4 west of railroad right-of-way
- Township 135 North, Range 49 West  
Section 7: E2NW4, Lots 1, 2 (NW4), Lots 3 & 4 the West 32.03 acres  
Section 18: E2NE4 less 8.51 acre site

Dear Bruce:

Your \$1,500 appraisal fee quote to appraise the above described property has been approved. We would appreciate having values established for the following parcels based on the appraisals:

**Parcel #1**  
Township 135 North, Range 52 West  
Section 1: SE4, NE4SW4  
(200 acres)

Township 135 North, Range 51 West  
Section 6: E2SW4, Lots 6 & 7 (SW4)  
(152.92 acres)

**Parcel #2**  
Township 135 North, Range 50 West  
Section 1: SW4 (160 acres – 6.24 acre RR ROW)  
(153.76 acres)

**Parcel #3**  
Township 135 North, Range 50 West  
Section 12: SW4 west of railroad right-of-way  
(156 acres)

Engagement letter-P. 2

BRUCE FADNESS  
November 8, 2011  
Page 2

Parcel #4  
Township 135 North, Range 49 West  
Section 7: E2NW4, Lots 1, 2 (NW4)  
(169.8 acres)

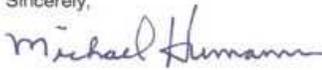
Parcel #5  
Township 135 North, Range 49 West  
Section 7: Lots 3 & 4 the west 32.03 acres  
less 5 acre tract  
(27.03 acres)

Parcel #6  
Township 135 North, Range 49 West  
Section 7: 5 acre tract in Lot 4  
(5 acres)

Parcel #7  
Township 135 North, Range 49 West  
Section 18: E2NE4 less 8.51 acres  
(71.49 acres)

Please appraise the property at your earliest convenience. Please contact me at (701) 328-1917 or email me at [mhumann@nd.gov](mailto:mhumann@nd.gov) should you have any questions.

Sincerely,



Michael Humann  
Rangeland Professional

MTH/bkp  
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