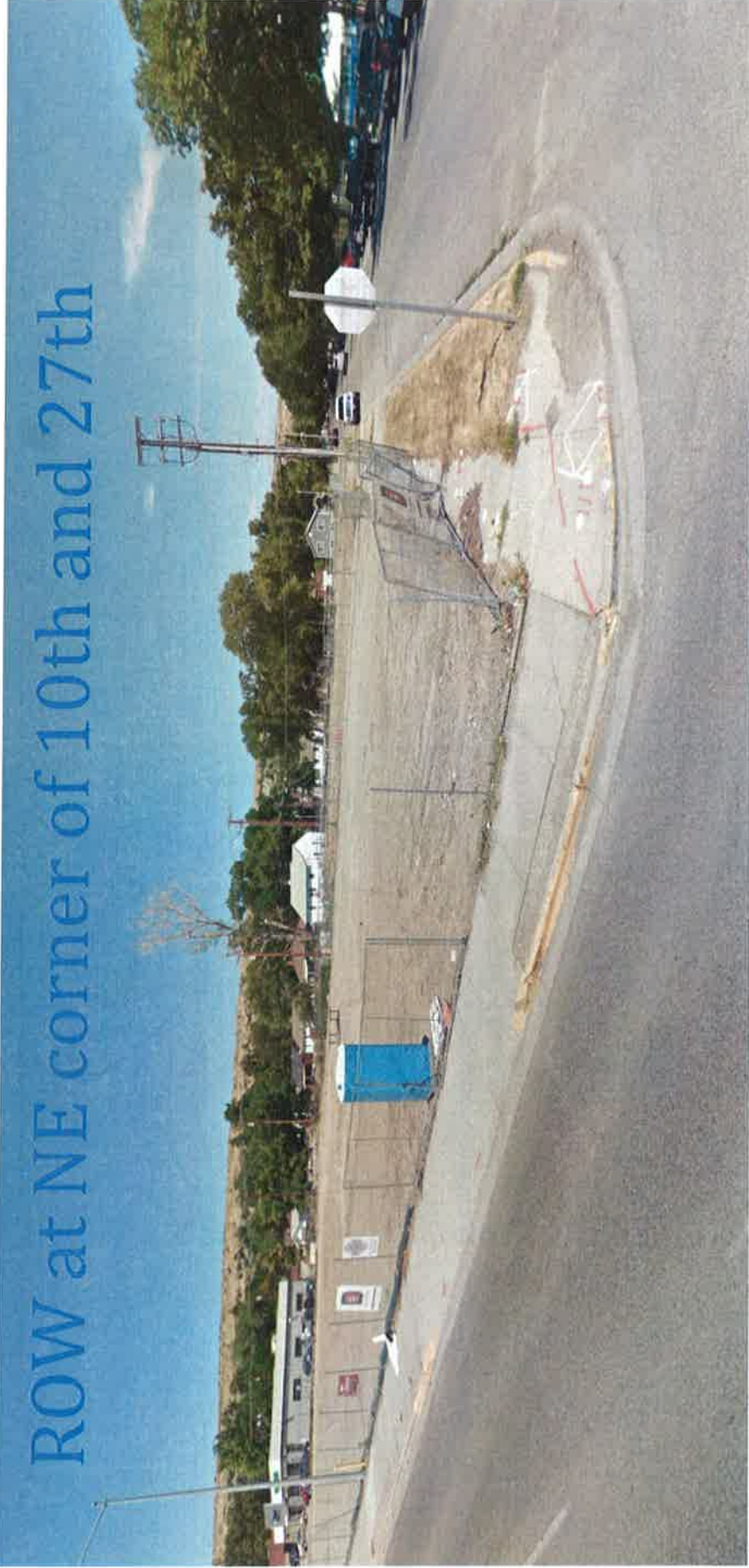


# Brokers Property Evaluation



CBS

ROW at NE corner of 10th and 27th



David Mitchell, **CCIM**  
Coldwell Banker Commercial CBS  
1215 24th Street West  
Billings, MT 59102

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Coldwell Banker Commercial  
CBS

# Engagement Letter



March 25, 2019

## Limit of Liability

The liability of Coldwell Banker Commercial is limited to the fee collected from the client. We assume no responsibility for any costs incurred to discover or correct any deficiencies of any type present in the property...physically, financially or legally. This Opinion should not be used in lieu of a Complete Appraisal Report prepared by a qualified Commercial Appraiser.

A handwritten signature in blue ink, appearing to be 'DM'.

Signature \_\_\_\_\_

**David Mitchell, CCIM**  
Coldwell Banker Commercial CBS

# Executive Summary

## Section 1



CBS

1025 N 27th Street  
Billings, MT 59101

This evaluation request is intended for the purpose of designating a value of land within a Right-Of-Way (ROW) and the value of approximately 1,163 sqft. The ROW sits on land owned by Opportunity Bank of Montana. The methodology utilized for the value of the land within the ROW is based on recent, nearby sales.

Sales Comparison Evaluation:	\$37,785.87
Income Evaluation:	N/A
<u>Cost Approach Evaluation:</u>	<u>N/A</u>

**Estimated Value: \$37,785.87**

# Property Summary

Section 2

4



## Overview

### Client

Dax Simek, Stahley Engineering

### Property Owner

Opportunity Bank of Montana  
PO BOX 4999  
Helena, MT 59604

### Property Address

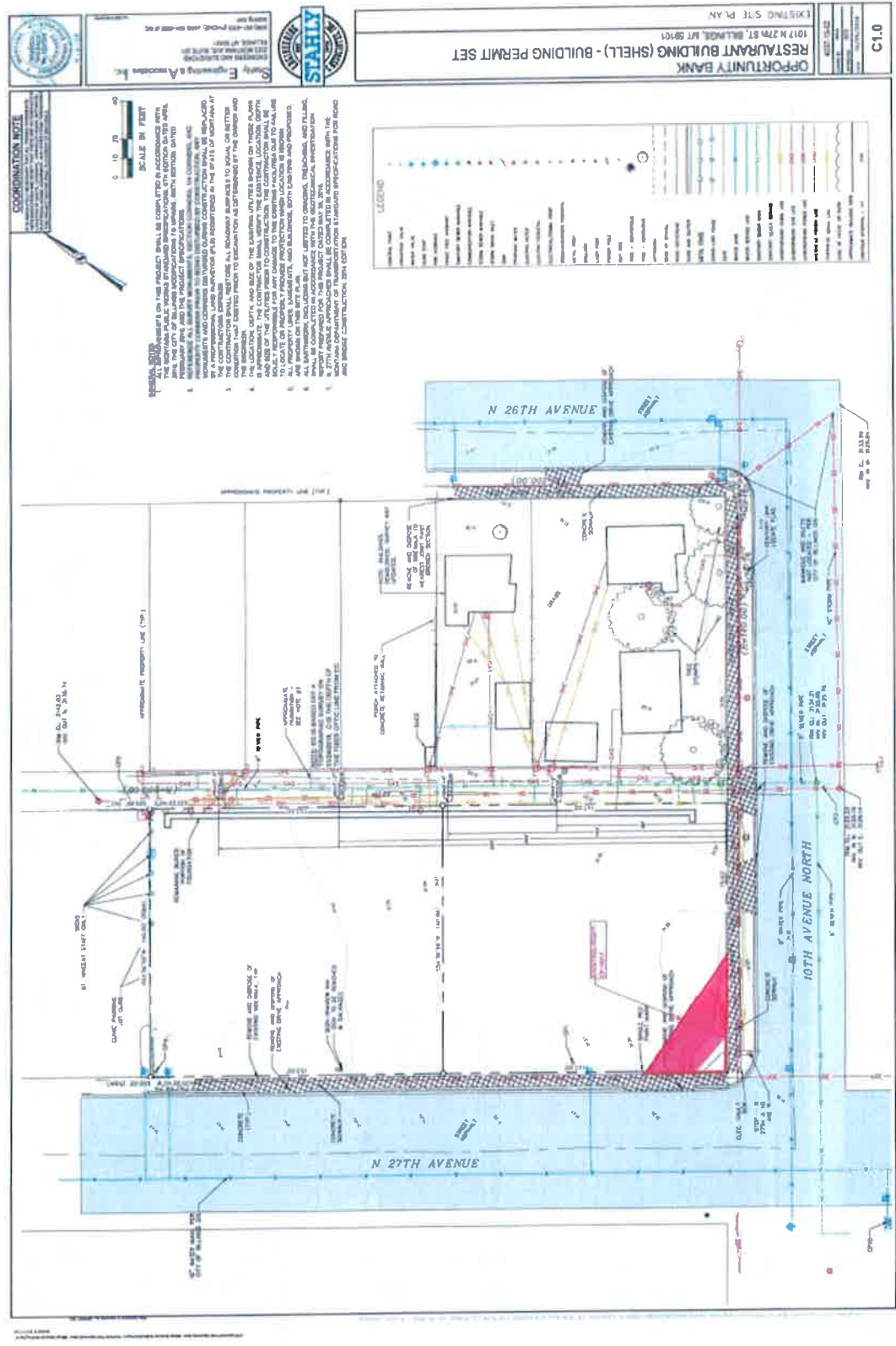
1025 N 27th Street  
Billings, MT 59101

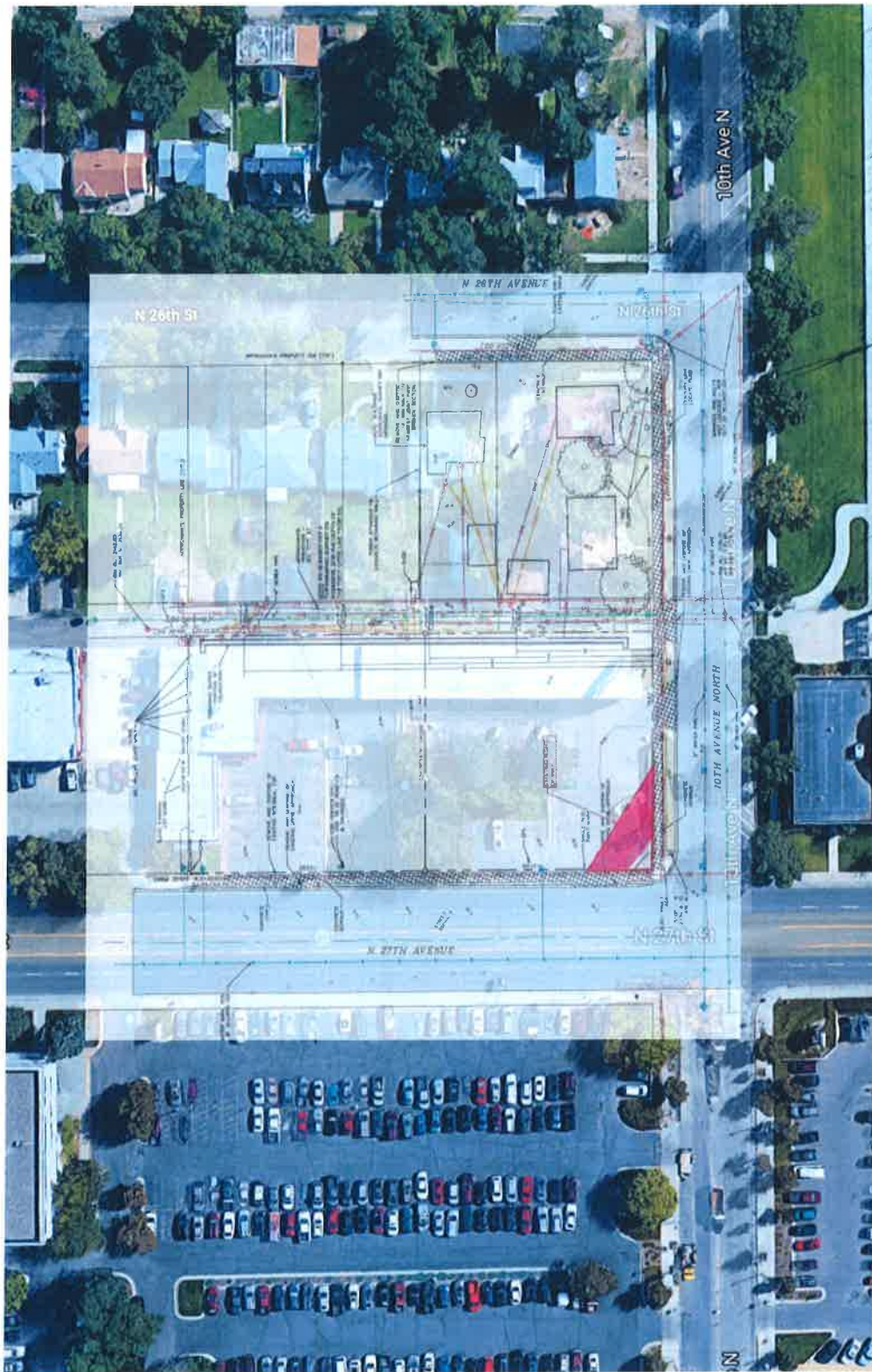
### Property Legal

Sunnyside Subd 1st Filing, S32, T01 N, R26 E, Block 5,  
Lot 3 (10)

## Site Specs

Lot Size	Approx.	1,163 SQFT
Building	Approx.	0 SQFT
Zoning		Community Commercial





# Valuations

## Section 3

7



COLDWELL  
BANKER  
COMMERCIAL

CBS

## Definitions of Value

As Commercial Agents at Coldwell Banker Commercial, we assist Landlords in an Agency Relationship i.e. the Listing of Property. To establish a lease rate we use the three common methods of appraisal listed below. However, one should be aware that there exists an ebb and flow to Real Estate Transactions in which at any given time, depending on need, properties can and do fluctuate in value. The "Gold Standard" which exists is the consummation of a transaction resulting in a executed lease establishing the actual "Market Rate". (see below) Additionally, one must realize that all methodology is based on the principal of substitution in which like properties are evaluated and graded with respect to the subject.

## Market Value

The most probable sale price which a property should bring in a competitive and open market under all conditions requisite to a fair market value. Both buyer and seller are to act prudently, knowledgeably and assuming the value is not affected by undue stimulus.



## Sales Comparison Approach

By analyzing the valuation factors for similar property that is offered for sale in the open market, one can produce a duplicate of the subject property and thus estimate the subject value. It must be realized, no two properties are ever exactly alike and adjustments must be made for the items of dissimilarity.

## Income Capitalization Approach (Not Considered)

Analysis of a property in terms of its ability to provide sufficient net annual return on investment capital is an important means of validating the market value indicated by the Lease Comparison Approach. The estimate is developed in the income capitalization approach by capitalizing the projected net income at a rate commensurate with the investment risks inherent to the ownership of the property.

*The Sales Approach was not used for the purposes of this evaluation.*

## Cost Approach (Not Considered)

The Author makes no representations to the accuracy of the information provide below as said estimate only represents the Author's opinion related to prior construction projects. For specific estimated/actual construction costs, reviewer should consult a licensed contractor, architect, and/or engineer.

*The Cost Approach was not used for the purposes of this evaluation.*

## Exclusions

Furnishings, equipment, personal property or business operations have been disregarded with only the improved real estate being considered in the value estimate, unless otherwise stated.



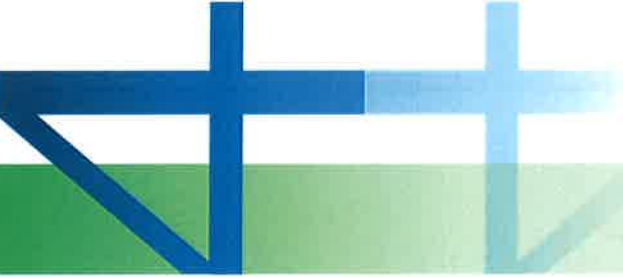
## Recent Sales Comps

Below are recent sales comps. We only factored the capitalization rates of these comps for our evaluation.

Comps	1	2	3
	Subject		
Sales Date	1/2018	6/2015	10/2017
Sale Price	\$2,900,000	\$625,000	\$1,100,000
Address	1025 N 27th Street Billings, MT	1045 N 27th St Billings, MT	618 N 25th Street Billings, MT
Land Sqft	1,163	21,000	53,063
Zoning	Commercial	Commercial	Commercial
Price per Sqft		\$46.98/sqft	\$29.76/sqft
Average Price per Sqft		\$32.49/sqft	
Subject Value		\$37,785.87	

# Assumptions

## Section 5



## Nondisclosure State

The client should understand that the State of Montana is a nondisclosure jurisdiction. Consequently, lease rates for real estate transactions are not publicly recorded and no centralized database of comparable leases exists. Additionally, no one associated with a particular transaction is obligated to release or verify lease terms. Therefore, it is possible that there are leases for comparable properties of which we have no knowledge or incomplete knowledge.

## Modifications

The author reserves the right to alter statements, analysis, conclusion or any value estimate in the opinion if there becomes known to the author facts pertinent to the process which were unknown to the author at the time of report preparation.

## Copies, Publication, Distribution, or Other Use of the Opinion

Possession of this report or any copy thereof does not carry with it the right of publication; the physical report remains the property of the Author for the use of the client, the fee being for the analytical services only.



David Mitchell, **CCIM**  
 Coldwell Banker Commercial CBS  
 1215 24th Street West  
 Billings, MT 59102

## BACKGROUND

Innovation, research, analytics, and grit are the keys to success for David and his clients. David's methodology to commercial real estate is encapsulated by the word "grit". He turns over every option, every potential buyer/investor, and every possible tenant. With his CCIM designation, David approaches each transaction from various angles (buyer, seller, tenant, landlord, investor, etc.), scrutinizing every possibility for success.

## AREAS OF FOCUS

Retail, Investment, Development, Office

## DESIGNATIONS/CREDENTIALS

**CCIM**

ICSC Member

MBA, *Emporia State University*

B.S. PSYCHOLOGY, *University of Utah*

EBT Graduate

Board of Directors, Billings Chamber of Commerce

Eagle Scout

40 under 40, *Billings Gazette 2018*

Silver Circle of Distinction, *Coldwell Banker Commercial 2018*

