



An Appraisal Report of:

Willow Creek Property

Located At:

TBD County Road 31
Gunnison, Gunnison County, Colorado 81230

Prepared For:

Ms. Susan Lohr
Executive Director
Gunnison Ranchland Conservation Legacy
210 West Spencer Avenue, Suite C
Gunnison Colorado 81230

Effective Date of Appraisal:

As Is - October 31, 2025

Prepared By:

TERRA FIRMA CONSULTING, LLC
P.O. Box 6153
Galena, Illinois 61036



February 18, 2026

Ms. Susan Lohr
Executive Director
Gunnison Ranchland Conservation Legacy
210 West Spencer Avenue, Suite C
Gunnison, Colorado 81230

Re: ***Willow Creek Property Conservation Easement
TBD County Road 31
Gunnison, Gunnison County, Colorado 81230***

Dear Ms. Lohr:

In compliance with your request, an ***appraisal report*** has been prepared in compliance with applicable Treasury Regulations and the Uniform Standards of Professional Appraisal Practice (USPAP) for a perpetual conservation easement restriction on the 100.00± acre Willow Creek Property located in Gunnison County, Colorado.

The purpose of this appraisal is to estimate the Fair Market Value of the subject on an "As Is" basis, both "Before" and "After" granting of a perpetual conservation easement on the Contiguous Family-Owned Property (CFOP); with the difference being the Fair Market Value of the conservation easement. The date of this report is February 18, 2026, with the conservation easement having been placed on October 31, 2025. Therefore, the effective date of value is October 31, 2025.

The client is the Gunnison Legacy Fund (doing business as the Gunnison Ranchland Conservation Legacy), the current owner of the subject CFOP. The intended use of this appraisal is to provide an estimate of the Fair Market Value for charitable donation purposes in connection with a qualified conservation easement donation to Colorado Open Lands (COL), which is a qualified organization exclusively for perpetual conservation restriction purposes. The attached report is a "qualified appraisal" that was prepared by a "qualified appraiser" as defined in Treasury Regulation Section 1.170A-13. Therefore, this appraisal may be submitted to the Internal Revenue Service (IRS), as well as the State of Colorado Division of Conservation (CDOC) for validation of state income tax credits. As such, in addition to the property owner, other intended users include COL, the IRS and CDOC.

The subject CFOP consists of 100.00± acres of vacant dry sagebrush shrubland that is partially bisected by the intermittent Willow Creek for roughly one-half of a mile. This property has historically been used for seasonal livestock grazing and is completely surrounded by public lands. The eastern portion of the property is bisected by County Road 31, which is a two-lane, unimproved dirt road that is not plowed during the winter months. This property is situated roughly nine miles southwest of Gunnison in rural Gunnison County, Colorado.

The land consists almost entirely of montane sagebrush shrubland, with roughly 4.5± acres consisting of willow riparian vegetation along Willow Creek. The property has a mix of gentle to moderately sloping topography at elevations ranging from 7,540 to 7,640 feet, with most of the properties in this area consisting of undeveloped land. There are no adjudicated water rights tied to this property, so none of the land is irrigated for hay production. Also, while the subject CFOP is surrounded by public Bureau of Land Management land and is adjacent to the Curecanti National Recreation Area, most of the site is open, has minimal tree cover and lacks any major mountain views. Therefore, the subject's attributes for ongoing agricultural and recreational uses are considered below average.

Per Gunnison County land use regulations up to two 35-acre rural residential lots would be allowed on the subject, with subdivision of this type having occurred in this area historically. Given the subject's proximity to Gunnison, a state highway and national recreation area, there would be ample demand for this use. However, the Willow Creek Property conservation easement is held by Colorado Open Lands, encumbers the entire subject CFOP, and extinguished all residential development rights. Only two non-residential improvements with a maximum footprint of 300 square feet and a cumulative footprint of 600 square feet can be constructed. Finally, this property must remain under single ownership and cannot be further subdivided. Therefore, on an "After" basis the subject is a single 100.00±-acre grazing and recreational property, **with the conservation easement reducing the development density by 100.0%** (from a maximum of two to no rural residential lots).

It must be noted that the opinion of Fair Market Value is subject to the following extraordinary assumptions and hypothetical conditions:

Extraordinary Assumptions:

1. **None.**

Hypothetical Conditions:

1. **The "Before" opinion of Fair Market Value is based on the hypothetical condition that the Willow Creek Property conservation easement does not encumber the subject on the effective date of value. The use of this hypothetical condition may have affected the assignment results.**

Based upon the data, analyses and reasoning contained in the attached report, the "As Is" Fair Market Value of the Willow Creek Property conservation easement, on a Before and After basis as of October 31, 2025, is as follows:

Willow Creek Property			
Fair Market Value Conclusion - Conservation Easement			
Description	Date of Value	Interest	"As Is" Fair Market Value
Before Conservation Easement	10/31/2025	Unencumbered Surface Rights	\$380,000
After Conservation Easement	10/31/2025	Encumbered Surface Rights	\$150,000
"As Is" Conservation Easement	10/31/2025	Conservation Easement	\$230,000

As indicated previously, the conservation easement encumbers the entire subject CFOP, which is currently unimproved. Also, there is no enhancement in value due to the placement of the Willow Creek Property conservation easement.

Respectfully submitted,

TERRA FIRMA CONSULTING, LLC



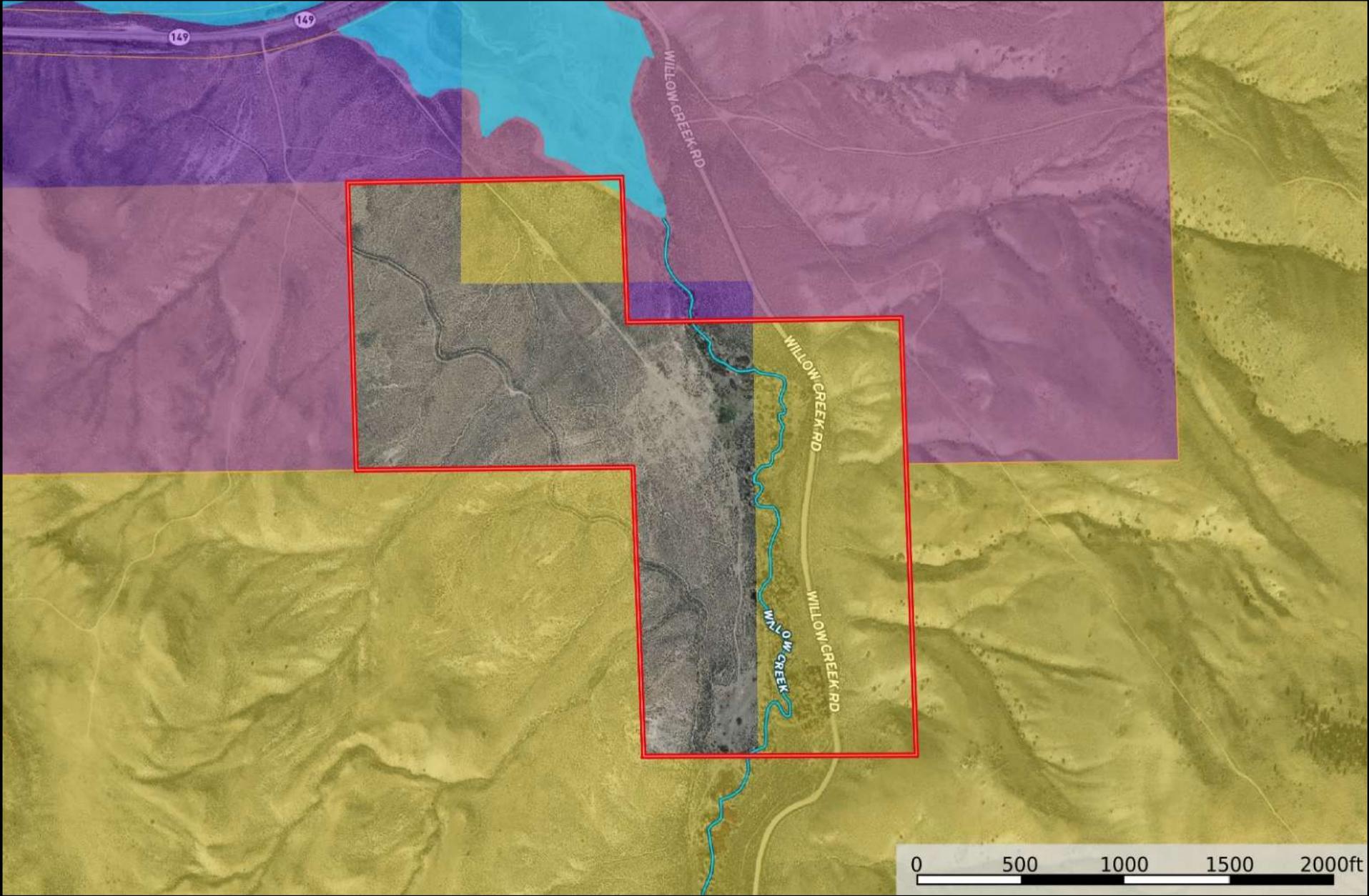
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Introduction

AERIAL MAP





Property Name:	Willow Creek Property
Property Location:	East and west sides of County Road 31, roughly nine miles southwest of Gunnison.
Property Address:	TBD County Road 31 Gunnison, Gunnison County, Colorado 81230
Assessor Account Number:	R006995
Assessor Parcel Number:	3785-000-00-034
Legal Description:	The NE¼ of the NW¼, the SW¼ of the NE¼ and the S½ of the NW¼ of the NE¼ of Section 34, Township 49 North, Range 2 West of the New Mexico Principal Meridian, County of Gunnison, State of Colorado.
Latitude - Longitude:	38° 28' 10.82" N - 107° 03' 50.71" W
Owner of Record:	Gunnison Legacy Fund
Property History:	The 100.00±-acre subject CFOP was acquired between Marlayne T. Miller and JCW, LLC on February 11, 2010 for a total consideration of \$105,000 or \$1,050 per acre, with this transaction being recorded under Reception Number 597185. Ownership was transferred by a donation from JCW, LLC to the Gunnison Legacy Fund on December 27, 2022, with a Bargain and Sale Deed being recorded under Reception Number 689168. No portion of the CFOP is currently being marketed for sale.
Date of Inspection:	July 17, 2025
Date of Report:	February 18, 2026
"As Is" Date of Value:	October 31, 2025
Purpose of the Appraisal:	To estimate the Fair Market Value of the subject CFOP on an "As Is" basis, both "Before" and "After" granting of a perpetual conservation easement on the entire property; with the difference being the Fair Market Value of the conservation easement. The conservation easement was placed on October 31, 2025.
Interest Appraised:	Fee simple interest in the underlying land only, with a conservation easement restriction under the After Scenario.

Site Summary:

Land Area	100.00± acres or 4,356,000 square feet
Current Use	Seasonal livestock grazing and recreation
Access	Seasonal from County Road 31
Utilities	None
Topography	Gentle to moderately sloping
Elevation	7,540 to 7,640 feet
Adjacent to Public Land	Yes - Along all four boundaries
Live Water Features	None - Willow Creek is an intermittent stream that usually flows from early spring to mid-summer in good water years.

Zoning:

None - Gunnison County allows rural home sites on a minimum lot size of thirty-five acres.

Development Status:

None

Water Rights:

None

Percent Irrigated:

0.0%

Improvement Summary:

None - Although there is fencing along the west side of County Road 31 and in other areas that assist with grazing management.

Conservation Easement:

Name	Willow Creek
Grantor - Owner	Gunnison Legacy Fund
Grantee - Land Trust	Colorado Open Lands
Closing Date	October 31, 2025
Reception Number	705355
Area of Easement	100.00± acres - 100% of the subject CFOP.
Allowed Building Envelopes	None
Allowed Residences	None
Allowed Non-Residences	Two agricultural support structures such as barns, pole barns, sheds, greenhouses, season extenders/hoop houses and free-standing garages with a maximum footprint of 300 square feet and a cumulative footprint of 600 square feet may be constructed anywhere on the property.
Permitted Land Uses	Livestock grazing and low-impact recreational uses.
Prohibited Land Uses	Residential, commercial, industrial, crop cultivation and mining activity.
Land Division Allowed	None - Entire holding must remain under single ownership.
Development Pressure	Low
Reduction in Development Rights	100.0% - From two to no potential rural residential lots.

Highest And Best Use - Before: Rural residential development on two lots with a minimum size of 35.00± acres.

Highest and Best Use - After: Continued operation for seasonal livestock grazing and recreation, with up to two minor agricultural improvements allowed anywhere on the property.

Fair Market Value Conclusions:

Willow Creek Property Fair Market Value Conclusion - Conservation Easement			
Description	Date of Value	Interest	"As Is" Fair Market Value
Before Conservation Easement	10/31/2025	Unencumbered Surface Rights	\$380,000
After Conservation Easement	10/31/2025	Encumbered Surface Rights	\$150,000
"As Is" Conservation Easement	10/31/2025	Conservation Easement	\$230,000

Estimated Loss in Land Value: 60.5%

Estimated Value Enhancement: None

Estimated Exposure Time: 9 to 12 Months



Scope of Work Defined

The Scope of Work requirement within the *Uniform Standards of Professional Appraisal Practice* (USPAP) includes the extent to which the property is identified and inspected, along with the type and extent of the data researched and analyzed to arrive at credible opinions or conclusions. For each appraisal assignment the appraiser must:

1. Identify the problem to be solved;
2. Determine and perform the scope of work necessary to develop credible assignment results; and
3. Disclose the scope of work in the report.

While the scope of work is addressed within many sections of this report, the following is a summary of the Scope of Work for this assignment.

Appraisal Elements

There are six key assignment elements that need to be addressed when identifying the appraisal problem. These include:

1. Client and any other intended users;
2. Intended use of the appraiser's opinions and conclusions;
3. Type and definition of value;
4. Effective date of the appraiser's opinions and conclusions;
5. Subject of the assignment and its relevant characteristics (e.g., interest valued, physical and legal characteristics); and
6. Assignment conditions (e.g., assumptions and limiting conditions, extraordinary assumptions and hypothetical conditions, supplemental standards and jurisdictional exceptions).

Client, Intended Users and Intended Use

The client and intended user of this appraisal includes representatives of the Gunnison Ranchland Conservation Legacy, the current owner of the subject CFOP under the name of the Gunnison Legacy Fund. The intended use of this appraisal is to estimate the Fair Market Value of the property for charitable donation purposes in connection with a qualified conservation easement donation to Colorado Open Lands (COL), which is a qualified organization exclusively for perpetual conservation restriction purposes. As such, in addition to the property owners, other intended users include the Internal Revenue Service, the State of Colorado Division of Conservation and COL. This report has no other intended use, and Terra Firma Consulting, LLC is not responsible for the use of this report by other third parties.

Definition of Contiguous Family-Owned Property

Treasury Regulation §1.170A-14(h)(3)(i) pertaining to a qualified conservation contribution stipulates that:

The amount of the deduction in the case of a charitable contribution of a perpetual conservation restriction covering a portion of the contiguous property owned by a donor and the donor's family (as defined in Section 267(c)(4)) is the difference between the fair market value of the entire contiguous parcel of property before and after the granting of the restriction.

As indicated previously, the subject is under the ownership of the Gunnison Legacy Fund, which operates as the Gunnison Ranchland Conservation Legacy. We have confirmed that this entity owns several properties situated northeast of the incorporated limits of the City of Gunnison, roughly twelve miles northeast of the subject CFOP. Therefore, the tax parcel totaling 100.00± acres has correctly been identified as the Contiguous Family-Owned Property (CFOP).

Definition of Fair Market Value

For purposes of making a charitable contribution in property other than money, the amount of the contribution is determined by estimating the Fair Market Value of the property; which is defined in Treasury Regulation §1.170A-1(c)(2) as follows:

The fair market value is the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of relevant facts. If the contribution is made in property of a type which the taxpayer sells in the course of his business, the fair market value is the price which the taxpayer would have received if he had sold the contributed property in the usual market in which he customarily sells, at the time and place of the contribution and, in the case of a contribution of goods in quantity, in the quantity contributed.

Please note that other definitions relevant to this assignment are included in the *Addenda*.

Valuation Scenarios and Effective Dates

In consideration of the previous assignment elements, the following valuation scenarios and effective dates are applicable in solving the appraisal problem:

1. "Before" Fair Market Value of the 100.00± acre CFOP, as of October 31, 2025, prior to the placement of the Willow Creek conservation easement on the entire property.
2. "After" Fair Market Value of the 100.00± acre CFOP, subject to the Willow Creek conservation easement being placed on the entire property on October 31, 2025.

The difference between the "Before" and "After" values represents the Fair Market Value of the Willow Creek Property conservation easement. The conservation easement was placed on the entire CFOP on October 31, 2025, which is the effective date of value.

Property Rights Appraised

The "Before" and "After" scenarios include an appraisal of property rights defined as either an unencumbered or encumbered **fee simple interest** in the subject real property. The "encumbered interest" represents the status of the property after the conservation easement is placed. Per Treasury Regulation §1.170A-14(h)(1) the interest appraised reflects surface rights only, without regard to any mineral interest. Therefore, no opinion of value is provided for mineral rights, water rights or other non-realty items which may or may not be associated with the property (i.e., movable personal property).

The conservation easement valuation resulting from the difference between the "Before" and "After" scenarios is a **partial interest** in the subject real property, which is defined as the 100.00± acre CFOP.

Assignment Conditions

Included in two separate sections of this report are standard *Assumptions and Limiting Conditions* and *Extraordinary Assumptions and Hypothetical Conditions* used in the preparation of this appraisal.

Analysis Performed in the Assignment

The Scope of Work performed for this appraisal includes several independent investigations and analyses. The methods and sources utilized in this assignment are listed as follows:

Approaches to Value: The three traditional valuation approaches, cost, sales comparison and income capitalization were considered in this appraisal, along with the subdivision development approach. Value indications were derived from those considered applicable, which is discussed later in this report.

Market Area Analysis: The appraiser inspected the subject's market area, evaluated demographic and economic statistics, reviewed city zoning codes and maps, aerial photographs and other market data in analyzing the characteristics of the subject area.

Property Identification and Analysis: The description of the site and improvements is based on my property inspection, review of documents provided by the property owner or representatives of the owner, and a review of assessor records and other public sources. Specific documents used to describe the subject are cited in the *Description of the Contiguous Family-Owned Property* section of this report.

Market Data and Analysis: All market data used in our macro and micro market analysis sections and industry overview sections were derived from multiple sources through a cooperative effort between the appraiser and research staff of Terra Firma Consulting (TFC). Any sources utilized have been cited within these sections, which typically include related trade industry associations, state and local government sources, and interviews with market participants.

Comparable Sales Data: The appraiser assembled data on comparable sales of similar properties that are both unencumbered and encumbered by conservation easements. This data was compiled from assessor records, public deed records, multiple listing service data, newspaper articles and news releases, file sources and conversations with numerous real estate owners, buyers, sellers and brokers active in the marketplace. Unless otherwise noted, the terms of all comparable sales were confirmed and each property was inspected by the appraiser or other TFC staff.

Competency Statement

Treasury Regulations concerning Recordkeeping and Return Requirements for Deductions for Charitable Contributions includes a definition for a "qualified appraiser" in Section 1.170A-13(c)(5), which is relevant to the valuation of a conservation easement. Based on this definition I am competent to appraise the subject for the following reasons:

- I am a Certified General Appraiser by the Division of Real Estate for the State of Colorado.
- I meet minimum education and experience requirements as set forth in relevant regulations.
- I regularly perform appraisal assignments for which compensation is individually received.
- I demonstrate verifiable education and experience for the valuation of conservation easements.
- I am in good standing with regulatory agencies and have never been prohibited from practicing as an appraiser.
- I have appraised numerous conservation easements for income tax purposes.
- I have also appraised many ranches in Colorado for purposes other than conservation.
- My professional qualifications, representative list of courses and license is included in the *Addenda*.
- I have completed continuing education with relevance to the valuation of conservation easements.
- Because of my qualifications, education and experience, I am a "qualified appraiser" for this assignment.

Contacts

In addition to other sources cited in this appraisal, I have relied on the following parties for information pertaining to the subject:

Subject Contacts		
Contact	Company	Contact Information
Susan Lohr Executive Director	Gunnison Ranchland Conservation Legacy	(970) 641 - 4386 info@gunnisonlegacy.org

Market and Property Data



Gunnison County Area Map



Area Defined

In 1877 Gunnison County was established as a 12,000-square-mile partition stretching from the foot of the Continental Divide in the east to the Utah border in the west. Between 1881 and 1883, the county ceded land for the creation of Pitkin, Montrose, Delta, and Mesa Counties, obtaining its current size and shape. Gunnison County, named for the American explorer John W. Gunnison, is a large, mountainous county in west-central Colorado. It is the fifth-largest county by area in Colorado with 3,260 square miles. Lying west of the Continental Divide, Gunnison County is bordered to the north by Pitkin and Lake Counties, to the north and east by Chaffee County, to the south by Saguache and Hinsdale Counties, and to the west by Ouray, Montrose, and Delta Counties.

Gunnison County at-a-Glance

Federal land encompasses forest service, Bureau of Land Management, National Park Service, military, and all other federal land. State land also includes state trust lands, most of which are held in trust for designated beneficiaries, principally public schools. Of Gunnison County's nearly 2.1 million acres, a significant portion (79.8%) is controlled by federal, state and local entities compared to the State of Colorado's 41.8%.

Land Ownership Comparison			
Ownership	Gunnison County		Colorado
	Acres	% of Total	% of Total
Total	2,086,019	--	--
Private	422,148	20.2%	56.6%
Conservation Easement	73,752	3.5%	4.2%
Federal Land	1,641,553	78.7%	36.3%
State Land	21,219	1.0%	4.8%
Tribal	0	0.0%	1.6%
City, County, Other	1,099	0.1%	0.7%

Headwaters Economics

Gunnison County increased in population at an average rate of 0.7% annually from 2010 to 2026, outpacing both neighboring counties. Gunnison County's rate of growth is expected to flatten as its neighbors increase. However, Gunnison County exceeds both counties in terms of income.

Population & Income Comparison to Adjacent Counties			
	Delta	Gunnison	Montrose
<i>Population</i>			
2010 Census	30,950	15,324	41,277
2020 Census	31,196	16,918	42,679
2026 Estimate	32,562	17,264	45,365
2031 Projection	33,624	17,381	47,184
2010 - 2026 % Annual Change	0.3%	0.7%	0.6%
2026 - 2031 % Annual Change	0.6%	0.1%	0.8%
<i>Income</i>			
2026 Estimated Avg Household	\$93,992	\$125,674	\$105,259
2026 Estimated Median Household	\$66,621	\$88,496	\$75,498

Claritas, 2026

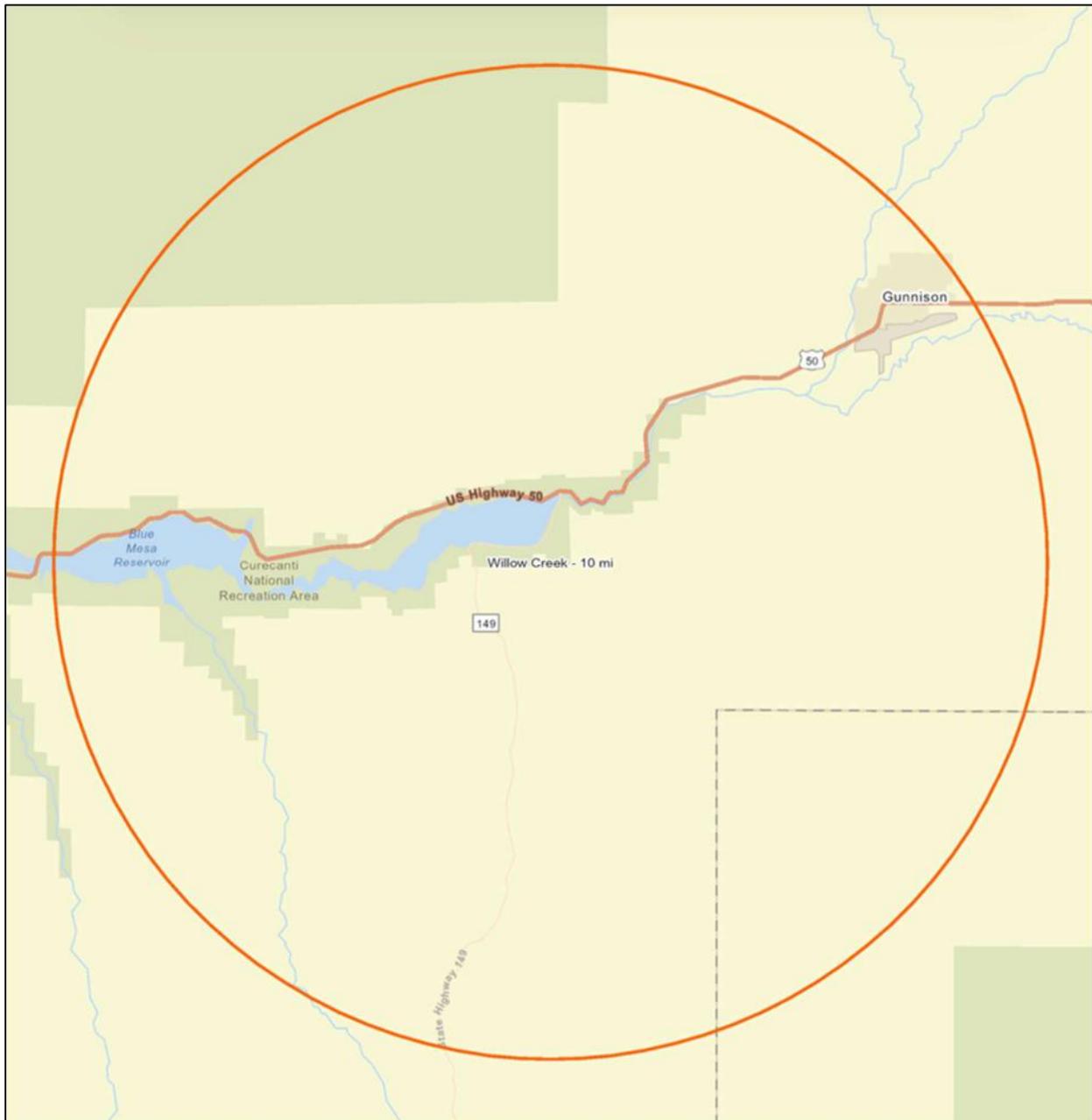
Gunnison County is a rural area with most of its residents residing outside of established communities. The county is home to the City of Gunnison, the towns of Crested Butte, Marble and Mt. Crested Butte. The City of Gunnison is the largest, by far, of the county's communities, capturing 39.1% of the total population. Growth in Gunnison over the next five years is projected to slow as the other communities experience slight declines.

Population Statistics Within the Communities of Gunnison County				
	Crested Butte	Gunnison	Marble	Mt Crested Butte
<i>Population</i>				
2010 Census	1,510	5,826	129	867
2020 Census	1,639	6,560	133	941
2026 Estimate	1,501	6,742	140	902
2031 Projection	1,498	6,846	137	900
2010 - 2026 % Change	0.0%	0.9%	0.5%	0.2%
2026 - 2031 % Change	0.0%	0.3%	-0.4%	0.0%

Claritas, 2026

Market Area Defined

The subject is situated in a rural area approximately nine miles southwest of Gunnison, being bisected by County Road 31 just south of the Blue Mesa Reservoir. Given the subject's proximity to State Highway 50, access to the commercial services in Gunnison is relatively easy. For the purposes of our analysis, the market area has been defined as the 10-mile radius surrounding the subject, the southeast portion of which lies within Saguache County.

Market Area Map - Willow Creek Property**Locational Attributes**

Within Gunnison County's borders there are over 1.6 million acres of national forest and wilderness lands including the Gunnison National Forest, Collegiate Peaks Wilderness, and West Elk Wilderness. The western end of the valley is home to the Curecanti National Recreation Area and Blue Mesa Reservoir. The town of Mount Crested Butte is a popular skiing and winter resort destination and the 2,030-acre Taylor Reservoir offers opportunities for fishing and watersports. Also, Western Colorado University, the first on the western slope, provides a traditional liberal arts curriculum to more than 2,000 students.

Ground Transportation

U.S. Highway 50 serves as the main east-west arterial through Gunnison County and extends westward to Montrose then north to Grand Junction where it merges with I-70. US-50 stretches eastward to Salida, intersecting with US-285 then continuing to Pueblo and beyond. CO-135 connects Gunnison to Almont and Crested Butte to the north. Other state highways include 92,114,133, and 149.

County Road 31, also known as Willow Creek Road, connects the subject to CO-149 northwest of the subject, which in turn extends northward to connect with US-50 east of the Blue Mesa Reservoir. Gunnison lies along US-50 about nine miles northeast of the subject and serves as the nearest community with amenities.

Air Transportation

Gunnison County is served by the Gunnison-Crested Butte Regional Airport, located in Gunnison, and Denver International Airport is located approximately 220 miles northeast of Gunnison. United Airlines serves the Gunnison-Crested Butte Airport year-round with flights to Denver and adds weekly non-stop service to Houston during summer and winter months. American Airlines provides daily non-stop service during the winter months to Houston. JSX Airlines provides weekly non-stop service to Dallas and weekly service to Austin, TX during summer and winter months.

The Gunnison-Crested Butte Airport recently completed a \$29 million upgrade project that included an extensive refurbishment, remodel, and redesign of the existing terminal with the goal of improving passenger flow and experience. Improvements included the addition of a restaurant and concessions, updating the security checkpoint and lower level holding rooms, relocating and expanding restrooms, relocating ground service equipment, and adding an automated baggage processing and claim system. Construction also included installing a geothermal heat exchange system and a solar panel-covered parking lot. The airport remained operational during construction.

The Federal Aviation Administration tracks enplanements for all airports nationwide and publishes an annual report in September of each year. In their most recent release in September of 2025 for calendar year 2024, the FAA reported 58,804 passengers enplaned at the Gunnison-Crested Butte Airport, a substantial increase of 18.6% over the prior year.

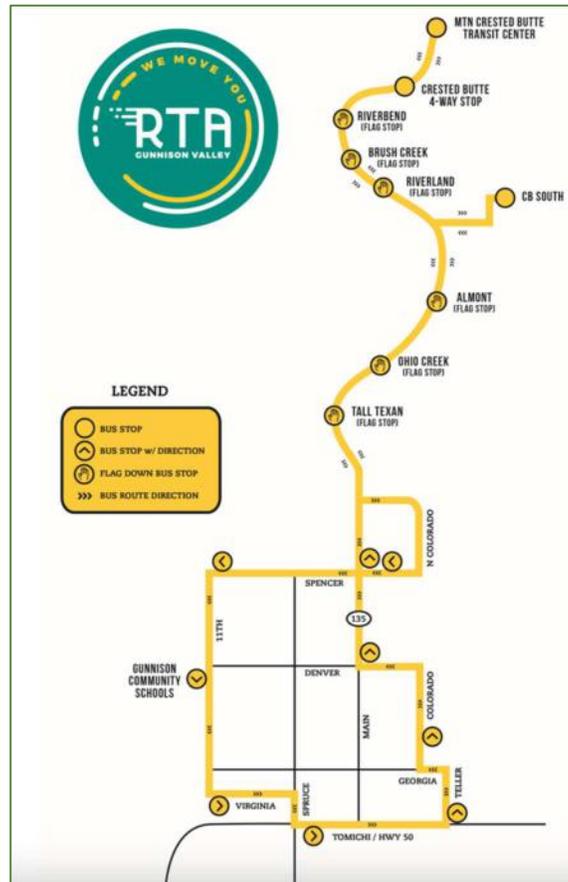
Public Transportation

The Gunnison Valley Rural Transportation Authority (RTA) operates a Free Bus that runs a loop through the City of Gunnison before heading north on Hwy 135 to Crested Butte and Mt. Crested Butte. However, the Free Bus does not serve the Gunnison-Crested Butte Airport.

The RTA has continued to expand as ridership has increased in recent years. Commuter buses in the valley carried more than 327,000 passengers in 2023, 31% higher than in 2022. RTA ran its largest winter schedule to date, with 41 round trips daily, up from 35 the prior year. The spring, summer and fall 2024 trip schedule will increase from 19 to 33 daily.

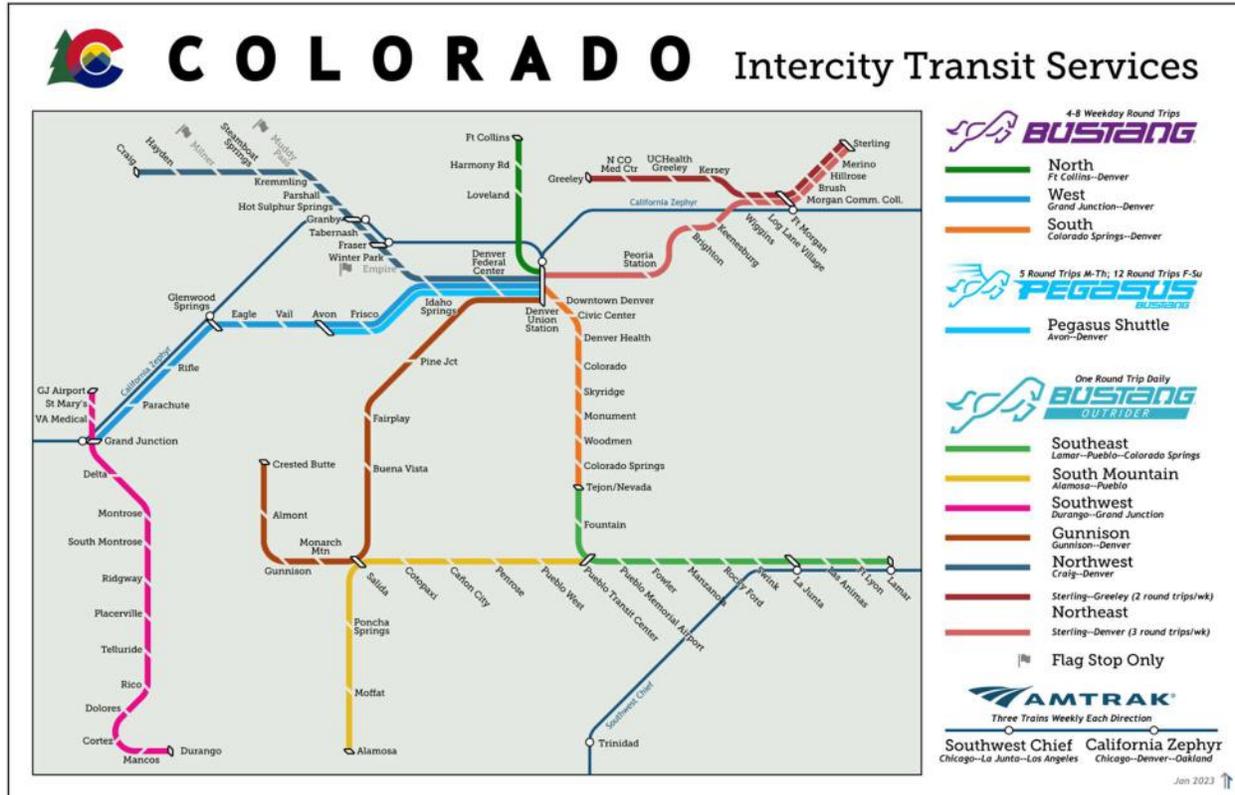
In August 2025, the Colorado Clean Transit Enterprise board approved its first award to support and expand local transit service across the state, awarding the Gunnison Valley Regional Transportation Authority a \$455,000 grant for Fiscal Year 2026, with anticipated annual awards for future years between \$550,000 and \$625,000. The RTA plans to use grant funds to double peak frequency on its key commuter route from the City of Gunnison through Crested Butte and Mt. Crested Butte during non-winter months, enabling them to offer year-round peak service with buses reaching every stop at 15-minute intervals. In the second phase of this grant, the RTA will expand its 15-minute headway winter peak service to cover from 6:21 a.m. until 5:45 p.m.

The RTA has been working with City of Gunnison and Gunnison County planners on a Hwy 135 and Hwy 50 access plan that will begin to prepare the travel corridors for future development. The plan will include a recommended location for a new transit center.



Bustang Outrider, administered by the Colorado Department of Transportation, provides alternative transportation for travel between rural communities and the state’s larger cities and towns. Outrider currently serves seven roundtrip routes. The Crested Butte-Gunnison to Denver bus route operates seven days a week and is consistently one of Outrider’s most popular, averaging nearly 800 passengers every month. As a result, a second roundtrip route began February 1, 2025.

The bus makes stops in Crested Butte, Almont and Gunnison in Gunnison County, with additional stops along the route in Salida, Buena Vista, Fairplay, Pine Junction and Denver Union Station. The bus also stops at Monarch Mountain during the ski season.



Demographic Overview

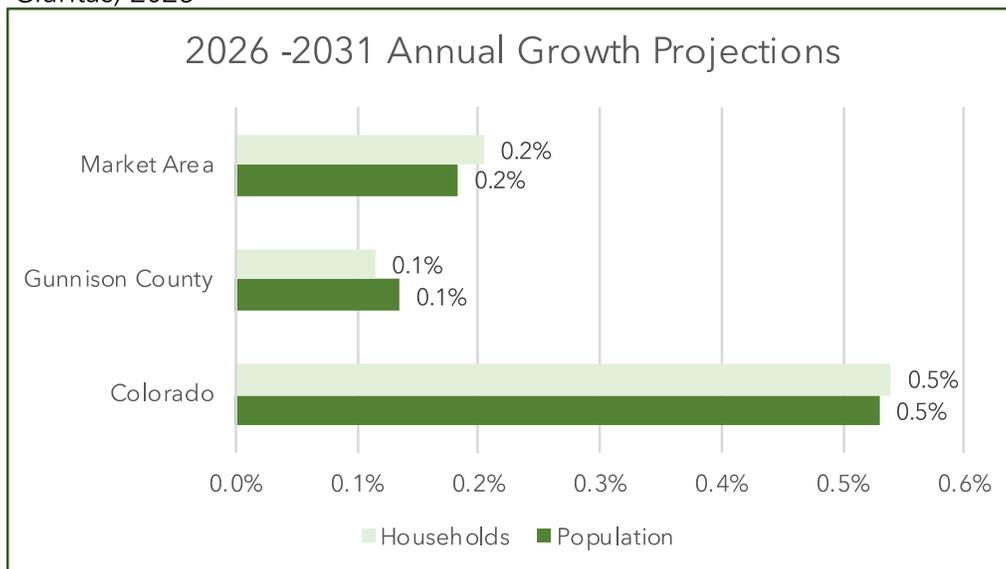
The table on the following page presents a summary of key demographic statistics for the market area (10-mile radius around the subject), Gunnison County and the State of Colorado.

Population Trends

Market area growth expanded at a similar rate to the county between 2010 and 2026. The rate for both the market area and the county is expected to flatten through 2031.

Population Trends			
	Market Area	Gunnison Co.	Colorado
Population			
2010 Census	7,506	15,324	5,029,177
2020 Census	8,292	16,918	5,773,714
2026 Estimate	8,480	17,264	6,007,700
2031 Projection	8,558	17,381	6,168,743
2010 - 2026 % Annual Change	0.8%	0.7%	1.1%
Median Age	31.8	38.7	38.8
Average Age	36.9	40.3	40.1
Households			
2010 Census	3,024	6,515	1,972,890
2020 Census	3,323	7,135	2,257,815
2026 Estimate	3,404	7,269	2,343,227
2031 Projection	3,439	7,311	2,407,188
2010 - 2026 % Annual Change	0.7%	0.7%	1.1%
2026 Average Household Size	2.2	2.2	2.5

Claritas, 2026



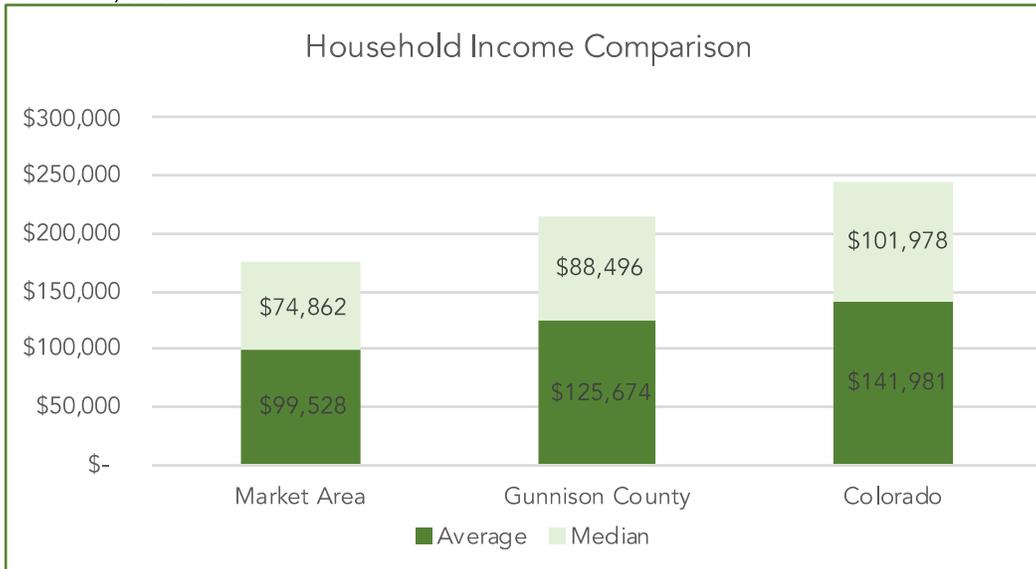
Income Demographics

Today, families and individuals working in low-wage jobs make insufficient income to meet the minimum standard of living in their communities. MIT developed the Living Wage Calculator (LWC) to help individuals, communities, employers, and others, estimate the local wage rate that a full-time worker requires to cover the costs of their family's basic needs such as childcare, civic engagement, food, health care, housing, internet and mobile, transportation, and other necessities. A living wage is defined as what one full-time worker (based on 2,080 hours per year) must earn to help cover the cost of those minimum basic needs where they live, while still being self-sufficient.

As indicated previously, the average household size in Colorado is 2.5 persons, with Gunnison County being slightly smaller at 2.2 persons. According to the LWC, a household containing two working adults and one child requires an annual pre-tax income of \$108,114 to live comfortably in Colorado versus \$98,046 to live in Gunnison County. The median household income in Gunnison County is estimated at \$88,496, which falls short of the LWC estimate of \$98,046 by 10.8%. The estimated market area median household income of \$74,862 is 31% below the LWC estimate.

2026 Estimated Household Income			
	Market Area	Gunnison Co.	Colorado
% Under \$50,000	37.2%	30.5%	23.2%
% \$50,000 - \$100,000	28.2%	25.5%	25.9%
% Over \$100,000	34.6%	44.0%	50.9%

Claritas, 2026



Area Housing Stock

Affordable housing is a critical issue in the Gunnison Valley as in other ski resort/tourist areas across the state. While the high cost of housing deters some potential employees, others opt to commute from communities with lower housing costs while a few are forced to sleep in tents, campers and their vehicles.

Excerpts from the November 15, 2021 Outside Magazine article *How to Save a Ski Town*:

Crested Butte was discovered, in the same way that other magical towns were being discovered. More people began to visit, and those people told their friends and posted glowy photos on Instagram. More people bought second homes there, driving up the price of real estate. Then came the Airbnbs and the VRBOs, which allowed second-home owners to earn a lot more money renting to tourists than to the people who actually lived and worked there. The locals found it harder and harder to afford a place to rent or buy in town. They began to leave, moving 35 minutes down valley to Gunnison or disappearing from the area altogether. By 2017, some wondered if Airbnb was going to kill this, and other, magical towns.

Then came the pandemic. Unchained from their desks, the hordes of newly remote white-collar workers descended upon all the magical mountain towns, and in just one year, the median list price for a home in Crested Butte jumped 40 percent, to \$895,000. Rents soared, too—20 to 40 percent in Colorado ski towns like Crested Butte, according to one June 2021 report. Meanwhile, both for-sale and rental inventory plummeted. Now it was nearly impossible for locals to find housing.

A May 2021 Gunnison Valley housing-needs assessment estimates that the valley is short 490 homes to accommodate its total required workforce. Since 2016, only two out of three local workers in the North Valley—which encompasses the towns of Crested Butte and Mount Crested Butte (populations 1,723 and 876, respectively), as well as neighboring unincorporated areas like Crested Butte South—have actually been able to live in the North Valley. The rest commute from Gunnison or farther away, others even live in their vehicles in the surrounding national forest.

In June, the town council declared a state of emergency, the first time a Colorado municipality had used the designation for a housing crisis. This enabled them to bypass certain municipal codes and provide some immediate relief, like purchasing a six-bedroom bed-and-breakfast and converting it into dorm-style housing for local workers. They also began allowing RV and tent camping on private property in town. In July the council issued a moratorium on new short-term rental licenses for a year, and officials resumed discussions about a controversial tax on empty homes, which they had started in 2020 but tabled for the pandemic.

At the local elections on November 2, the citizens of Crested Butte voted against the empty-home tax and the increase in sales tax that would have provided the lion's share of funding for future housing initiatives.

In April of 2023 Gunnison County broke ground on Phase I of the Sawtooth Housing Development, an affordable housing rental project located in Gunnison. The project was mostly funded through federal COVID relief money; with three rounds of stimulus funding through the American Rescue Plan Act of 2021 (ARPA) paying for most of the \$6.1 million project. The county spent all its ARPA funds on the project, which consists of 18 modular units. Units began renting in the fall of 2023, with half of phase one's 18 units being set aside for residents making up to 80% of area median income (AMI), which for a two-person household is roughly \$56,000. Sawtooth Phase I was completed in 2023 and is fully occupied.

Revenue generated from the first phase of the project, which has been fully paid for, will be used to start paying for phase two, an additional 32 rental units, which began construction in 2024. Subsidizing the second phase of the project will ultimately allow the county to keep rents low and, later, reinvest resources into the county's long-term affordable housing plans.

Sawtooth Phase II project's 32 units range from studios to two-bedroom apartments for a guaranteed maximum price of just over \$11 million, which equates to just over \$340 per square foot. This is inclusive of all costs including every unit, the site work, geothermal and solar. The project is projecting a February 2025 completion, with first occupancy expected in March.

Gunnison County's second affordable housing project, Whetstone, will be located along Highway 135 south of Crested Butte. In April of 2023 the Colorado Department of Local Affairs (DOLA) awarded Gunnison County \$10 million for Whetstone, the county's largest and most ambitious affordable housing development. The money is slated for horizontal infrastructure, like roads, water, sewer, electric and sidewalks. This major impact project is set to bring 252 rental units in 23 structures with an initial groundbreaking to start in February 2025, with anticipated move-ins starting in 2027.

Gunnison Rising is a 630-acre mixed use development located just east of Gunnison along both sides of US-50 near the airport and includes the I Bar Ranch parcel. This \$220-million-plus project includes the potential for 1,700 residential units, almost one million square feet of commercial space, a 54-acre RV resort and the I Bar parcel. Phase I of the project includes a government campus that houses a 38,000 square foot FedEx distribution center and a Bureau of Land Management field office. The Phase I infrastructure is about 85% complete. Four parcels within the project's first phase are listed, each, for about \$333,000 an acre, of which two lots totaling 5.3 acres sold for \$1.5 million in May of 2025.

However, the owner of the project, Gunnison Valley Properties (GVP), filed for Chapter 11 bankruptcy on August 29, 2024. The bankruptcy court is expected to grant GVP permission to engage an investment banker – Keen-Summit Capital Partners – to oversee a "competitive sale process" for the Gunnison Rising project in its entirety, which was valued as-is at \$58 million in 2024.

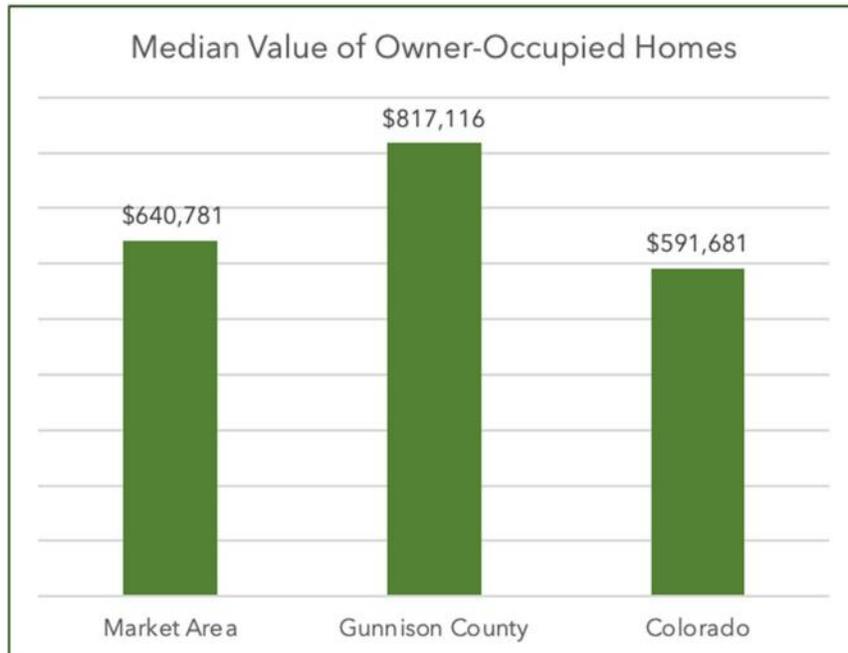
Phase two is a 52-acre parcel that will consist of residential neighborhoods. The City of Gunnison received a \$1.8 million grant to complete 64 for-sale affordable housing units.

As shown below, nearly all of the housing in the market area consists of single-family homes, which comprise 93.1% of the inventory. A significantly higher level of home ownership, 86.2%, is present in the market area when compared to the county.

Housing Stock, Home Ownership & Values			
	Market Area	Gunnison Co	Colorado
Housing Structure	% of Total	% of Total	% of Total
1 Unit Detached/Attached	93.1%	68.1%	69.0%
2-3-4 Units	1.5%	11.1%	4.7%
5-19 Units	1.0%	9.7%	10.1%
20+ Units	0.0%	5.9%	12.2%
Mobile Home, Trailer, Other	3.9%	5.2%	3.9%
Median Year Structure Built	1994	1989	1989
Home Ownership	% of Total	% of Total	% of Total
Owned	86.2%	62.4%	64.6%
Rented	13.8%	37.6%	35.4%

Claritas, 2026

Although higher than the state, the market area’s estimated median home value of \$640,781 is 27.5% lower than the Gunnison County median of \$817,116.



Residential Trends

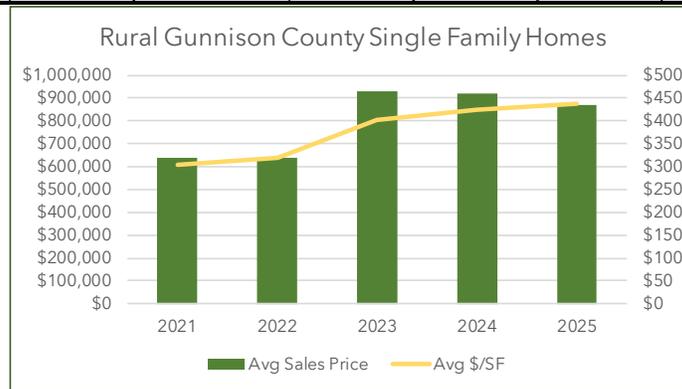
To analyze market conditions we have compiled residential data from the CREM (Colorado Real Estate Network) database for the past five years. While MLS activity may not capture all sales in a given market, the local MLS offers the most comprehensive source of information currently available, and we believe that trends in the data accurately reflect overall market conditions.

Rural Gunnison County - Single Family Home Sales Trends

The data presented includes stick-built, modular and manufactured/mobile home types. The average sales price for single family residences in rural Gunnison County experienced the largest increase (45.6%) in 2023 to roughly \$930,000. During the five-year period analyzed the average price per square foot increased 43.3%.

Rural Gunnison Single Family Market Trends								
Year	# of Sales	% Change	Avg Sales Price	% Change	Avg \$/SF	% Change	Total Sold Amount	% Change
2021	81	--	\$639,640	--	\$305	--	\$51,810,804	--
2022	45	-44.4%	\$639,726	0.0%	\$318	4.3%	\$28,787,665	-44.4%
2023	67	48.9%	\$931,518	45.6%	\$402	26.4%	\$62,411,678	116.8%
2024	47	-29.9%	\$922,149	-1.0%	\$424	5.5%	\$43,341,003	-30.6%
2025	64	36.2%	\$871,476	-5.5%	\$437	3.1%	\$55,774,450	28.7%

CREM MLS

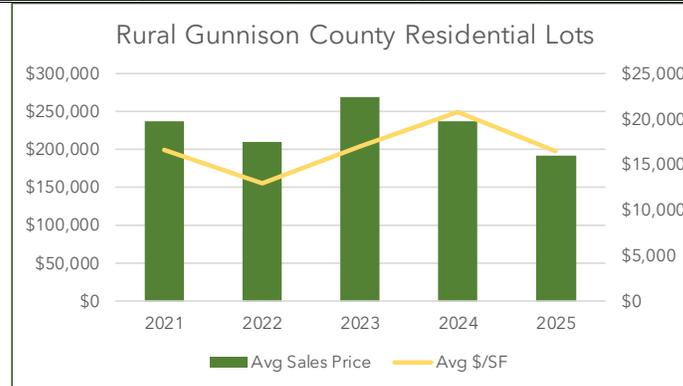


Rural Gunnison County - Residential Lot Sales Trends

For our analysis, the focus is on lots within rural Gunnison County sized between 1 and 40 acres. Rural Crested Butte was not included due to its heavy Town of Crested Butte influence. The average sales price for residential lots has fluctuated since 2021, although predominantly posting decreases during the five-year period. By 2025 the average sales price was 23.4% less than that of 2021. The average price per acre also fluctuated during the period analyzed, posting the highest price in 2024, which was followed by a 20.3% decrease the following year.

Rural Gunnison Residential Lot Market Trends								
Year	# of Sales	% Change	Avg Sales Price	% Change	Avg \$/Acre	% Change	Total Sold Amount	% Change
2021	54	--	\$236,970	--	\$16,667	--	\$12,796,390	--
2022	23	-57.4%	\$210,729	-11.1%	\$12,987	-22.1%	\$4,846,775	-62.1%
2023	24	4.3%	\$269,667	28.0%	\$16,982	30.8%	\$6,472,000	33.5%
2024	20	-16.7%	\$237,075	-12.1%	\$20,792	22.4%	\$4,741,500	-26.7%
2025	28	40.0%	\$192,036	-19.0%	\$16,575	-20.3%	\$5,377,000	13.4%

CREN MLS



Two of the sectors employing the largest number of Gunnison County residents earn less than \$38,000. As of June 30, 2025, 48.4% of the county’s workforce earned less than \$50,000, while less than 0.5% earned more than \$100,000.

Gunnison County Average Salary by Occupation		
Industry	Average Annual Salary	% of Total Employed
Mining	Confidential	Confidential
Management of Companies and Enterprises	\$123,760	0.2%
Utilities	\$98,124	1.0%
Professional and Technical Services	\$85,540	4.8%
Finance and Insurance	\$79,248	1.4%
Wholesale Trade	\$73,892	0.6%
Health Care and Social Assistance	\$72,072	9.6%
Public Administration	\$72,072	8.4%
Real Estate and Rental and Leasing	\$70,044	3.2%
Information	\$64,688	0.9%
Construction	\$63,388	10.7%
Educational Services	\$53,092	10.8%
Administrative and Waste Services	\$49,712	3.5%
Manufacturing	\$46,228	2.3%
Arts, Entertainment, and Recreation	\$44,720	8.6%
Transportation and Warehousing	\$44,252	2.2%
Agriculture, Forestry, Fishing & Hunting	\$43,680	0.7%
Other Services, Ex. Public Admin	\$40,508	3.6%
Retail Trade	\$37,492	11.2%
Accommodation and Food Services	\$28,704	16.3%

Q2 2025 QCEW via Colorado Department of Labor

Major Employers

Major employers in Gunnison County include the United States Forest Service, the Bureau of Land Management and the National Park Service, all of which are public lands offices operated by the federal government. Other major employers include Western Colorado University, Gunnison Valley Health, Crested Butte Mountain Resort (Vail) and Eleven Experience.

Market Economic Drivers

Gunnison County’s economy is driven by tourism and Western Colorado University.

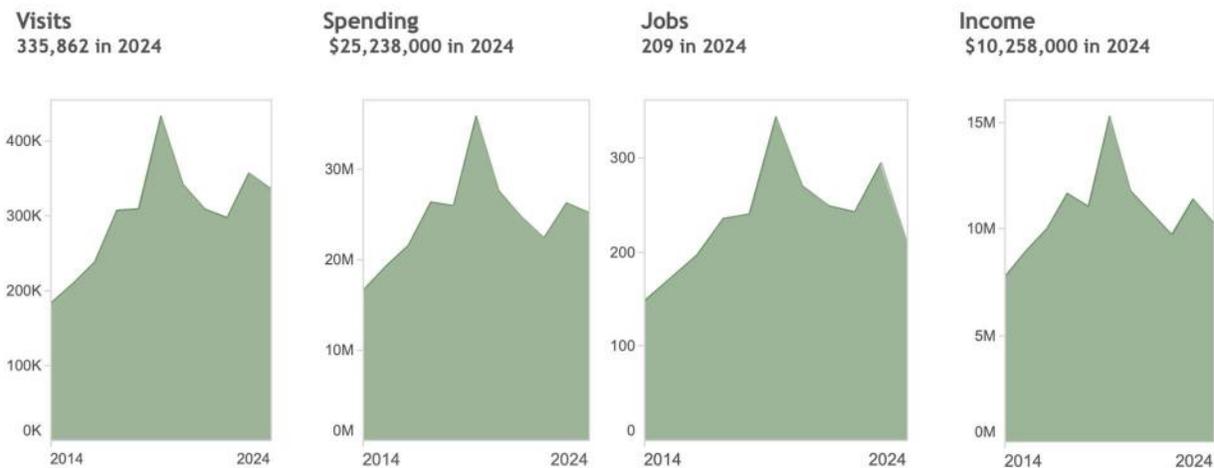
Outdoor Recreation

78.9% of Gunnison County is federal land, which includes the United States Forest Service (1,268,028 acres), Bureau of Land Management (375,747 acres), and the National Park Service (1,090 acres). Visitors are drawn to the area due to the extensive public lands that create opportunities for a multitude of recreational activities. The Gunnison Valley is famous for both summer and winter outdoor recreational opportunities such as hiking, mountain biking, rock climbing, hunting, fishing, camping, Nordic and Alpine skiing, to name a few.

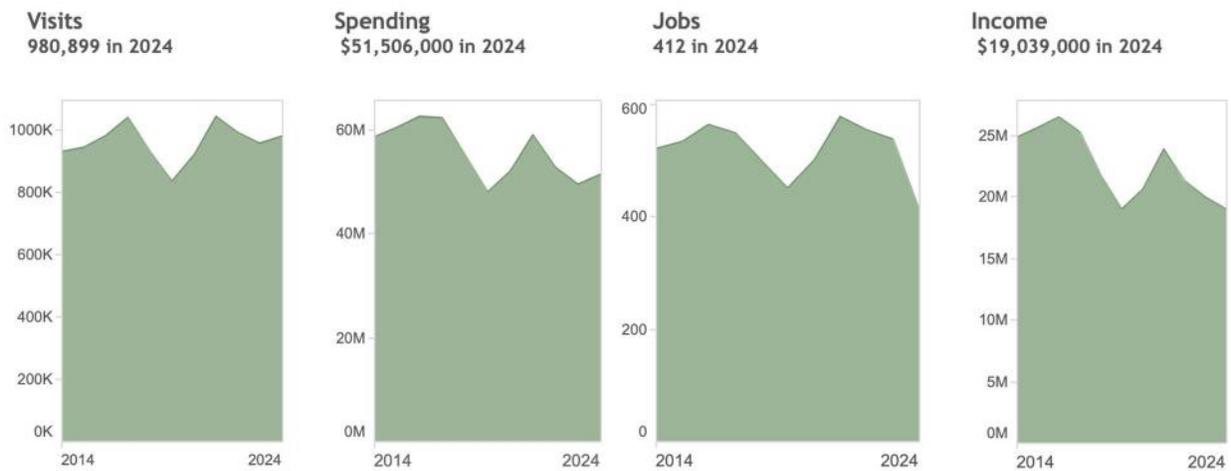
The Economic Impact of Mountain Biking in the Grand Mesa, Uncompahgre and Gunnison National Forests, published in November 2018, studied several geographical areas including Gunnison County. The Crested Butte study area includes Crested Butte, Gunnison, and Taylor Park mountain biking opportunities. It is modeled in Gunnison County, which includes both Gunnison and Crested Butte. The typical mountain bike visitor to Crested Butte spends \$493.77 per visit. Mountain bike visitors support an estimated 167 jobs, over \$3.9 million in labor income, and generate \$801,676 in state and local taxes.

Headwaters Economics is an independent, nonprofit research group that produces economic impact data of national parks on local economies. Statistics for Black Canyon and Curecanti NRA indicate visitors spent a combined total of more than \$76.7 million in 2024 (most recent data available). That spending supported 621 jobs in the local area and had a cumulative benefit to the local economy of over \$29 million.

Black Canyon Of The Gunnison National Park



Curecanti National Recreation Area



Crested Butte Ski Resort

Crested Butte Mountain Resort is in southwest Colorado, within the Gunnison National Forest and the Elk Mountain Range. It has expansive and diverse terrain across more than 1,500 skiable acres and offers terrain suitable for any ability type. CBMR was purchased in September 2018 by Vail Resorts and is now included in Vail’s Epic Pass. In 2019 Crested Butte Mountain Resort was voted the winner of the Denver Post’s Ultimate Colorado Ski Area Contest.

Western Colorado University

With an operating budget of over \$83 million in 2023, Western Colorado University is an integral part of the Gunnison Valley economy. University of Colorado’s Leeds Business School released a three-year (2021-2023) Western economic impact report in October 2024. Between 2021 and 2023, the university contributed \$438.7 million to the Gunnison Region’s economy, of which \$422.1 million enriched Gunnison County and \$153.4 million was attributed to the 2023 fiscal year. According to the report 9% of Gunnison County’s GDP is driven by Western alone. The university employed an average of 674 staff and faculty jobs annually, with 835 in 2023. Direct and indirect employment created 1,492 jobs (full-time, part-time, temporary, and student workers) in 2023. Jobs held by Western employees provided \$61.5 million in labor income in 2023. University-related events drew more than 22,000 visitors, who purchased 13,574 hotel rooms, resulting in an estimated \$7 million in visitor-related economic activity. 91.1% of that spending was concentrated in Gunnison County. The student body of 2,900 spent over \$30 million on housing, groceries, and essentials in 2023.

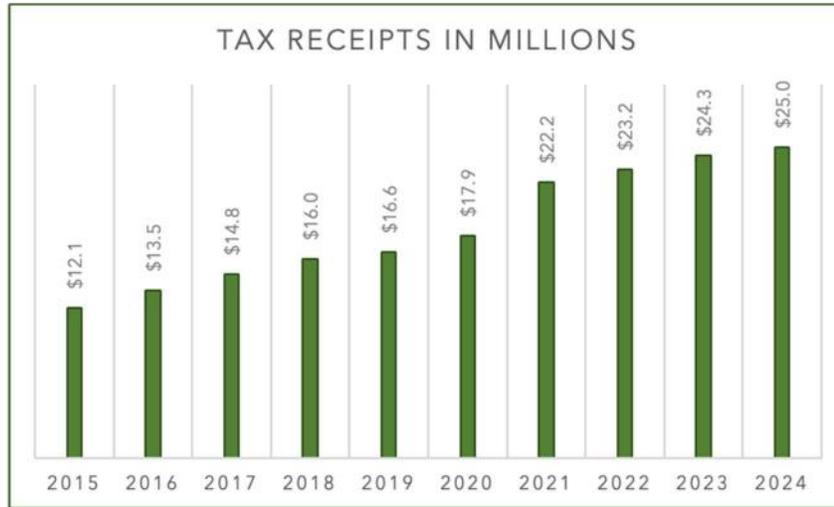
Travel Impact

Dean Runyan Associates provides tourism research and economic impact analysis as reported in the Economic Impact reports prepared annually for the Colorado Office of Tourism. The Economic Impact Report includes direct economic impacts of travel to and through Colorado and the state’s metropolitan areas, tourism regions, and counties.

Direct travel spending is defined as purchases made by travelers during their trip including lodging, taxes and other applicable local and state taxes, paid by the traveler at the point of sale. As seen in the chart below, tourism has seen a steady increase in Gunnison County. Visitor spending slowed during the Covid pandemic then increased 20.9% in 2021 as more visitors began traveling again. More recently, however, increases are slowing.



Direct tax receipts are tracked as part of the Economic Impact Report. Tax receipts collected by state, counties, and municipalities, as levied on applicable travel-related purchases, including lodging, food and beverage service, retail goods and gasoline. Local tax receipts, collected by the municipalities and Gunnison County, never decreased during the pandemic. However, in 2021 the local tax revenue collected increased 24.2% as travelers felt more confident in making travel expenditures. Tax receipts continue to be collected, although at lower annual increases.



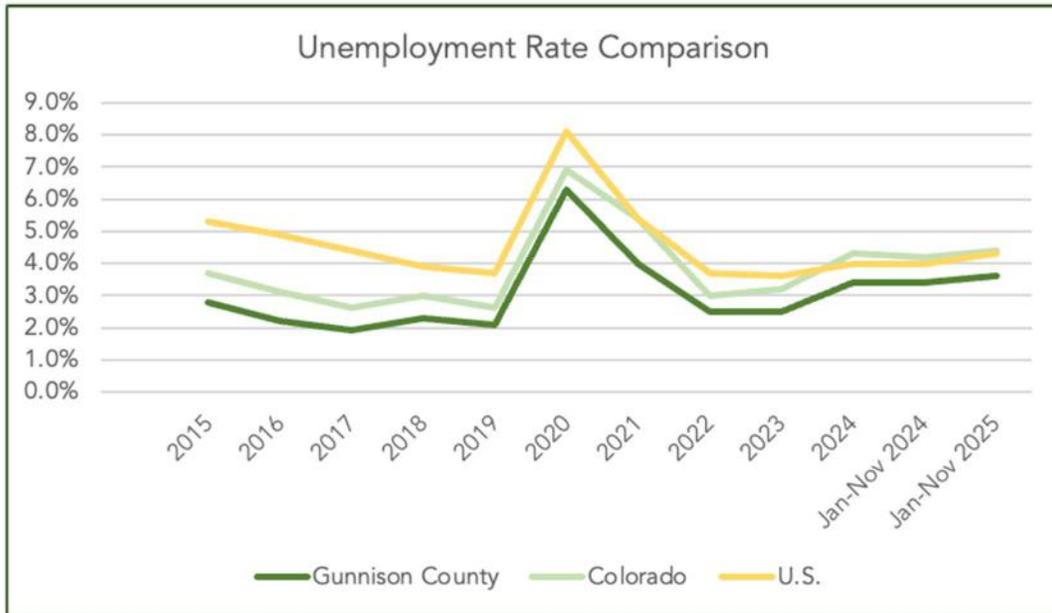
Resident Employment Trends

During the five years preceding the 2020 Covid pandemic, the unemployment rate in Gunnison County remained below 3%. By 2022, the unemployment rate once again dropped below 3%. However, although the unemployment rate increased during the last year, county unemployment has historically been lower than the state average.

Resident Employee Trends			
Year	Gunnison County		State of Colorado
	Employment	Unemployment Rate	Unemployment Rate
2015	9,515	2.8%	3.7%
2016	9,918	2.2%	3.1%
2017	10,403	1.9%	2.6%
2018	10,994	2.3%	3.0%
2019	11,137	2.1%	2.7%
2020	10,606	6.3%	6.8%
2021	10,759	4.0%	5.5%
2022	11,150	2.5%	3.1%
2023	11,718	2.5%	3.3%
2024	10,533	3.4%	4.3%
Most Current Data			
Jan-Nov 2024	10,507	3.4%	3.0%
Jan-Nov 2025	10,735	3.6%	3.9%

U.S. Bureau of Labor Statistics

November 2025 is preliminary. October 2025 data is unavailable.



Consumer Price Index (CPI) Trends

The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for consumer goods and services and serves as an economic indicator. The CPI is the most widely used measure of inflation and provides information about price changes in the nation’s economy to government, business, and private citizens.

Price indexes are available for the U.S., the four Census regions, size of city, cross-classifications of regions and size-classes, and for 26 local areas. Size Class A is defined as having a population of more than 1.5 million, size Class B/C with a population between 50,000 and 1.5 million, and size Class D as less than 50,000.

Please note that Gunnison County falls within the West (Class D) region, but the BLS does not track CPI data for this region, therefore data has been provided for the West (Class B/C) instead. The CPI for the West Region (Class B/C) increased at an annual rate of 3.2% over the period 2016-2025, which exceeded that of the U.S. (Class B/C). Also, the West Region experienced an annual increase of 2.6% between 2024 and 2025.

Comparative CPI Trends West Region (Class B/C) and U.S. (Class B/C)		
Year	All Items	
	West Region	U.S.
2016	145.4	146.9
2017	148.8	149.7
2018	153.1	153.0
2019	157.0	155.5
2020	159.8	157.3
2021	167.6	165.3
2022	181.3	178.8
2023	188.9	186.0
2024	193.8	191.1
2025	198.9	196.2
Annual Change	3.2%	2.9%
2024-2025	2.6%	2.7%

U.S. Bureau of Labor Statistics

Base period: December 1996=100

Not seasonally adjusted.

Conclusions

Of Gunnison County's 3,260 square miles, 79.8% is comprised of federal, state and local entities, most of which is public recreational land. The dominance of publicly owned land and the county's many ranches contribute to Gunnison County's undeveloped open spaces and its mountain wilderness appeal. The county offers residents and visitors a plethora of year-round outdoor recreational activities ranging from alpine and Nordic skiing to big game hunting, fishing, hiking and mountain biking.

The county's local economy is dominated by the tourism industry. By the end of June 2025, 36.1% of the jobs within the county were in sectors that supported the tourism and outdoor recreation industry, however these jobs paid less than \$45,000 and 27.5% earned less than \$38,000. Unlike other Colorado counties, Gunnison County's reliance on tourism was minimally impacted during the travel restrictions and economic downturn brought on by the Covid pandemic as indicated by direct visitor spending during that time.

Additionally, Western Colorado University's impact on Gunnison County is seen in the increase in jobs, both direct and indirect, and the increase in student population in recent years. In a new economic impact report released in October 2024, Western was cited to have contributed more than \$153.4 million in 2023, amounting to 9% of the county's GDP.

Gunnison County has not escaped the issue of lack of affordable housing, but two projects are in the works to address this critical concern. One project delivered 50 units and was completed in early 2025, while a second 252-unit housing project will break ground in February 2025 with a targeted completion in 2027.

The 10-mile radius around the subject straddles the southwest portion of Gunnison County and the northeast corner of Saguache County and is inclusive of most of the Blue Mesa Reservoir, the Curecanti National Recreation Area and a small portion of the Gunnison National Forest. The subject is situated in a rural area approximately nine miles southwest of Gunnison. Population in the market area has kept pace with the county since 2010, however population growth is expected to slow in both the market area and county-wide. Home ownership is higher in the market area (86.2%) compared to 62.4% in the county. Also, the \$640,781 estimated median value of those homes is 27.5% less than the Gunnison County median of \$817,116. Finally, the estimated median household income of \$74,862 in the market area is 18.2% less than the county's median of \$88,496 and 31.0% below the LWC estimate of \$98,046 to live in Gunnison County, which highlights the challenge of affordable housing faced by the market area residents. However, the market area's economic conditions are similar to other rural areas within Gunnison County, with overall conditions expected to remain stable.



A discussion and understanding of the market factors that influence the market for agricultural farms and ranches is necessary as part of the appraisal process. In the following analysis, we will discuss general trends in agricultural ranch properties, including the market for recreational mountain ranches that are purchased for non-traditional purposes. Following this analysis, we will then briefly discuss supply and demand factors in the State of Colorado and Gunnison County agricultural markets.

2024 Estimated Farms and Land in Farms

According to the *USDA Farms and Land in Farms Summary 2024* (released February 2025), the number of farms in the United States for 2023 is estimated at 1,880,000, down 14,950 farms from 2023. The number of farms decreased in all sales classes except the \$1,000,000 or more sales class. In 2024, 48.1% of all farms had less than \$10,000 in sales and 78.9% of all farms had less than \$100,000 in sales. In 2024, 9.8% of all farms had sales of \$500,000 or more.

Total land in farms, at 876,460,000 acres, decreased 2,100,000 acres from 2023. The biggest change for 2024 is that producers in Sales Class \$1,000,000 or more operated 1,490,000 more acres than in 2023. In 2024, 25.9% of all farmland was operated by farms with less than \$100,000 in sales, while 50% of all farmland was operated by farms with sales of \$500,000 or more.

The average farm size for 2024 is 466 acres, up from 464 acres the previous year.

Census of Agriculture

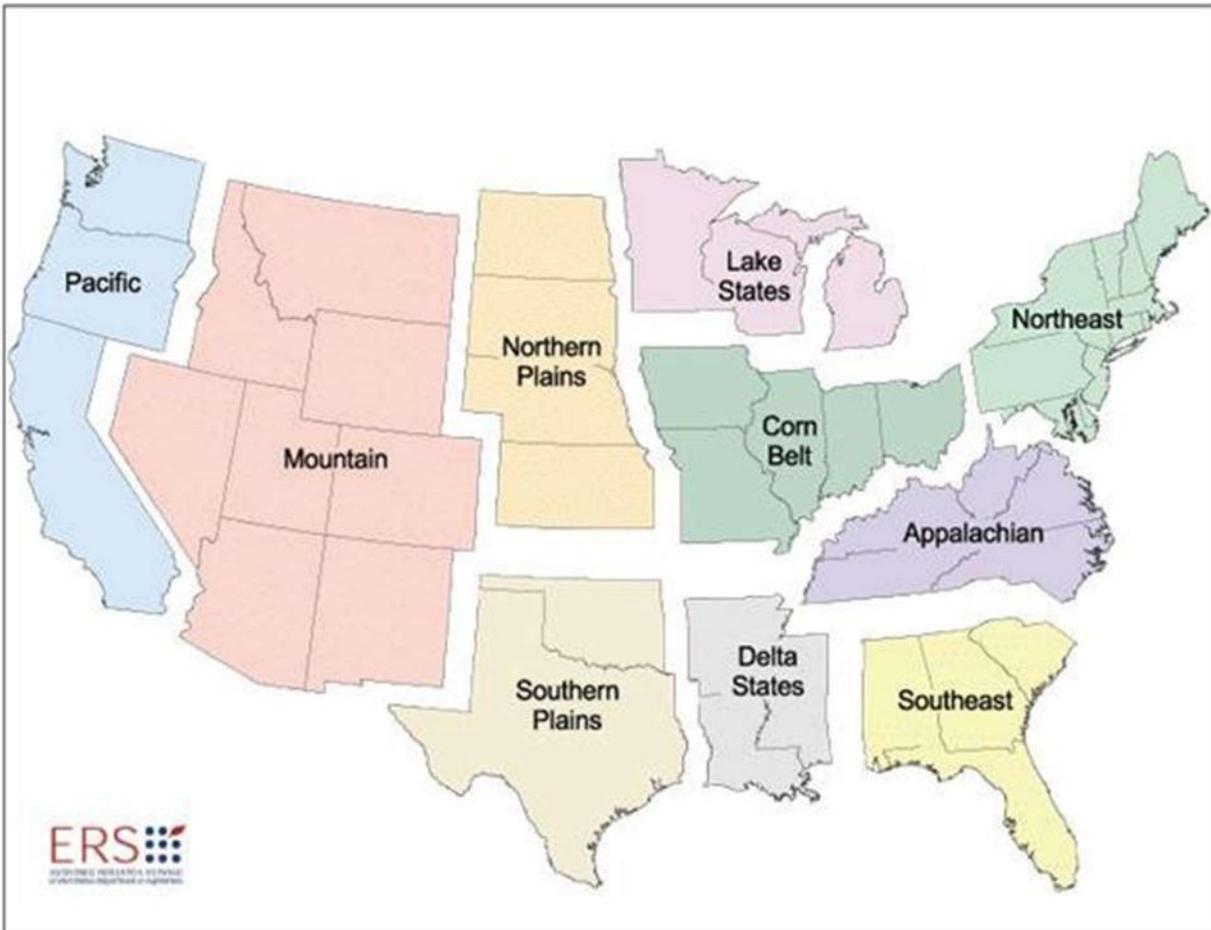
The Census of Agriculture is a complete count of U.S. farms and ranches and the people who operate them. The USDA conducts the census in the United States every five years which includes any place from which \$1,000 or more of agricultural products were, or normally would be, produced and sold. The recently released 2022 Census of Agriculture reports that the number of farms in the United States currently resides at approximately 1,900,487. The eastern and Midwestern portions of the United States tend to command the most attention for agricultural use.

Between 2017 and 2022, the number of farms with sales greater than \$500,000 increased by approximately 26,457 farms (18.1%) and was the only category that increased. Of the remaining seven sales categories the number of farms with sales between \$25,000 to \$49,000 was the least affected, with a loss of just 66 farms; with the category of sales less than \$2,500 experienced the largest decrease of 112,831 farms (16.6%).

The average size of a U.S. farm increased from 441 acres in 2017 to 463 acres in 2022, as the average per farm value of crops sold also increased, from \$190,245 to \$285,762. Due to the increase in value of crops, net income for the average U.S. farm increased significantly (85.3%), as did expenses for the average farm (39.6%).

Among all U.S. farms, 41.9% were involved in farming as a primary occupation, a minute increase over 2017 of 41.7%. From 1997 to 2022, the average value of all land and buildings per farm in the United States increased steadily from approximately \$416,007 to \$1,781,284 or an approximate 6.0% annual compound rate of value growth over the 25-year period. As such, agricultural land has proven to be an investment that produces long-term wealth for many individuals and corporations.

USDA Economic Regions Map



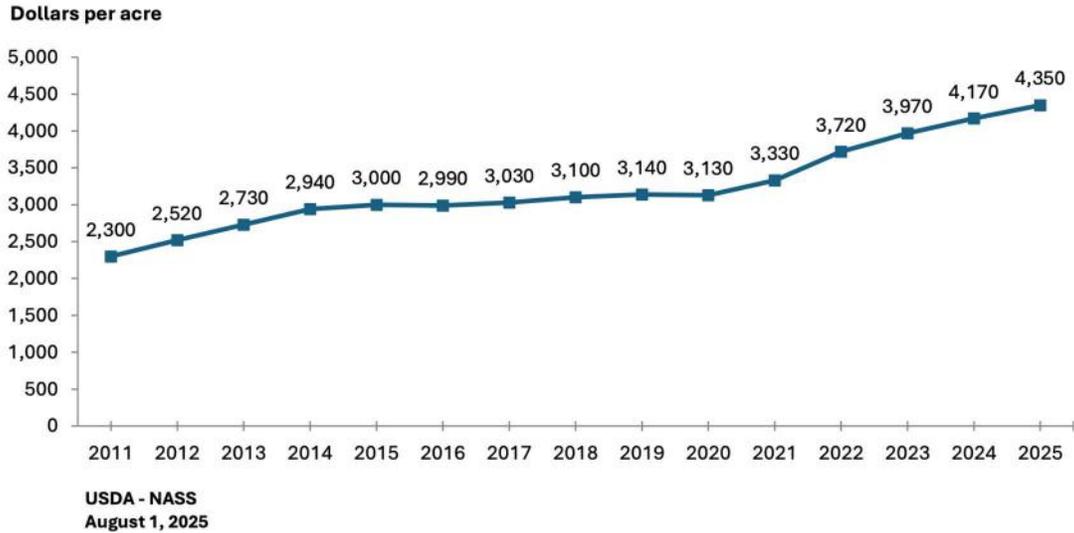
National Agricultural Land Values

The following maps and charts are provided by the *USDA 2025 Land Values Summary Report*, published August 2025. The United States farm real estate value, a measurement of the value of all land and buildings on farms, averaged \$4,350 per acre for 2025, up \$180 per acre (4.3%) from 2024. The United States cropland value averaged \$5,830 per acre, an increase of \$260 per acre (4.7%) from the previous year. The United States pasture value averaged \$1,920 per acre, an increase of \$90 per acre (4.9%) from 2024.

Farm Real Estate Value

The graph below illustrates the historical trends in farm real estate value over the last 15 years. As shown, since 2011, the average price has generally increased.

Average Farm Real Estate Value – United States: 2011-2025

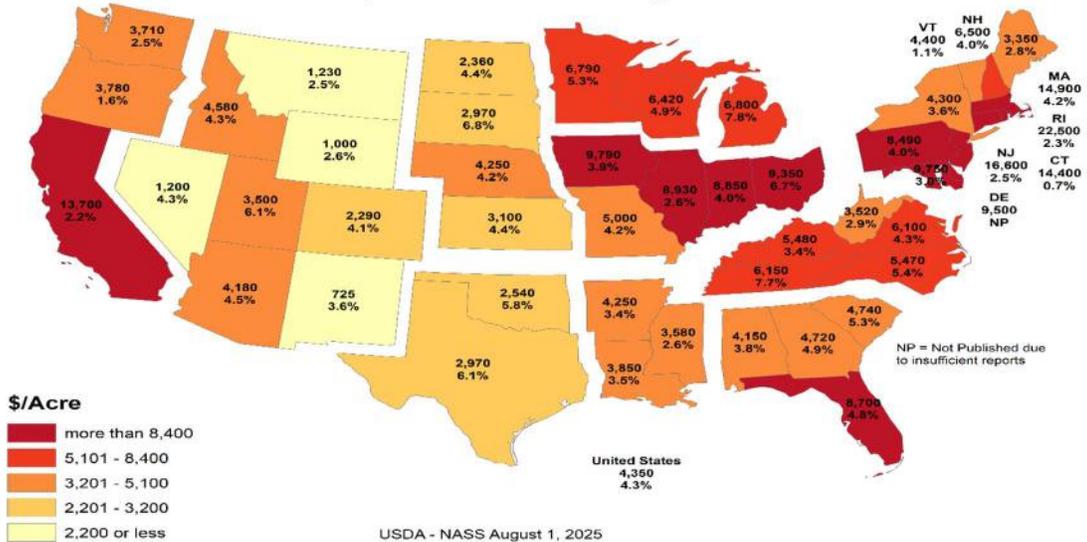


Value by State

At \$22,500 per acre Rhode Island captured the highest values in the country, while Michigan experienced the largest annual increase in value, 7.8%.

2025 Farm Real Estate Value by State

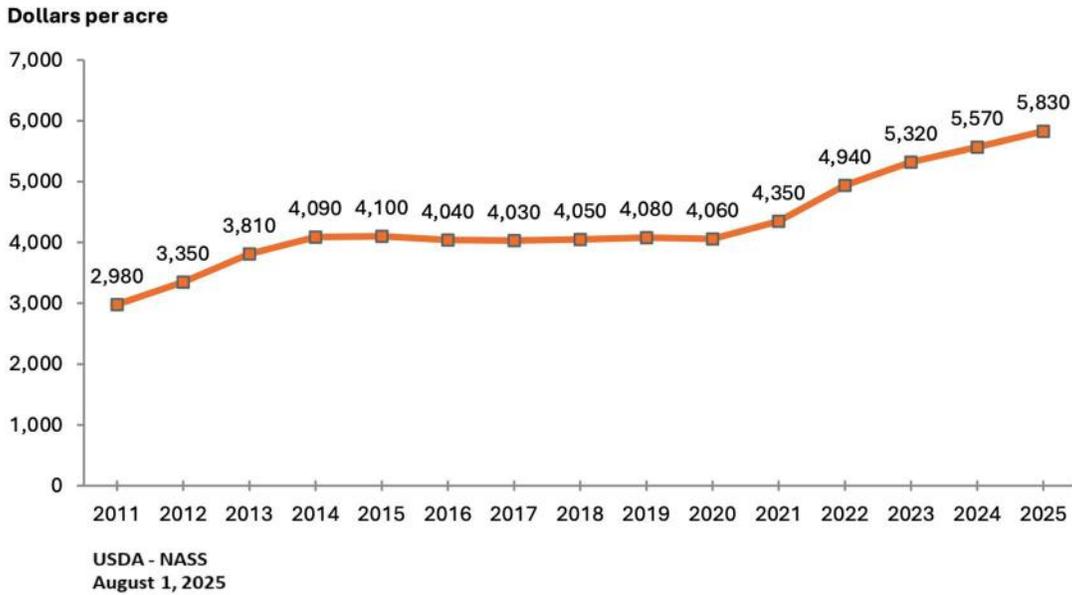
Dollars per Acre and Percent Change from 2024



Cropland Value

In 2025, the USDA reported that the value of the nation’s cropland was \$5,830 up \$260, or 4.7%, from the prior year. The 2025 figure marks the fourth year of record highs in cropland values.

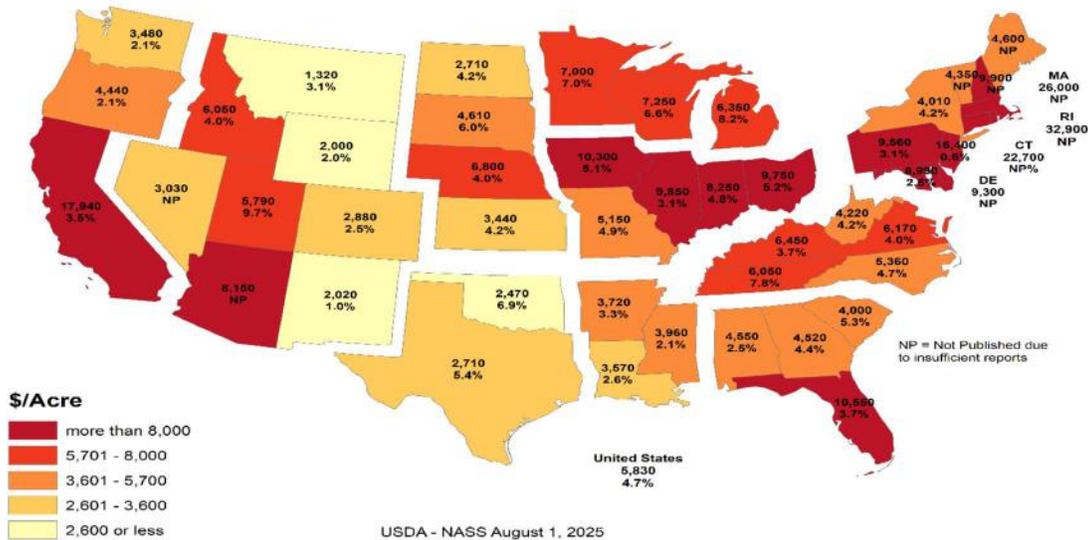
Average Cropland Value – United States: 2011-2025



Cropland Value by State

Cropland values are the highest in Connecticut, Massachusetts and Rhode Island exceeding \$20,000 per acre, while California, New Jersey, Florida and Iowa top \$10,000 an acre. The eastern Mountain Region and Southern Plains values are the lowest.

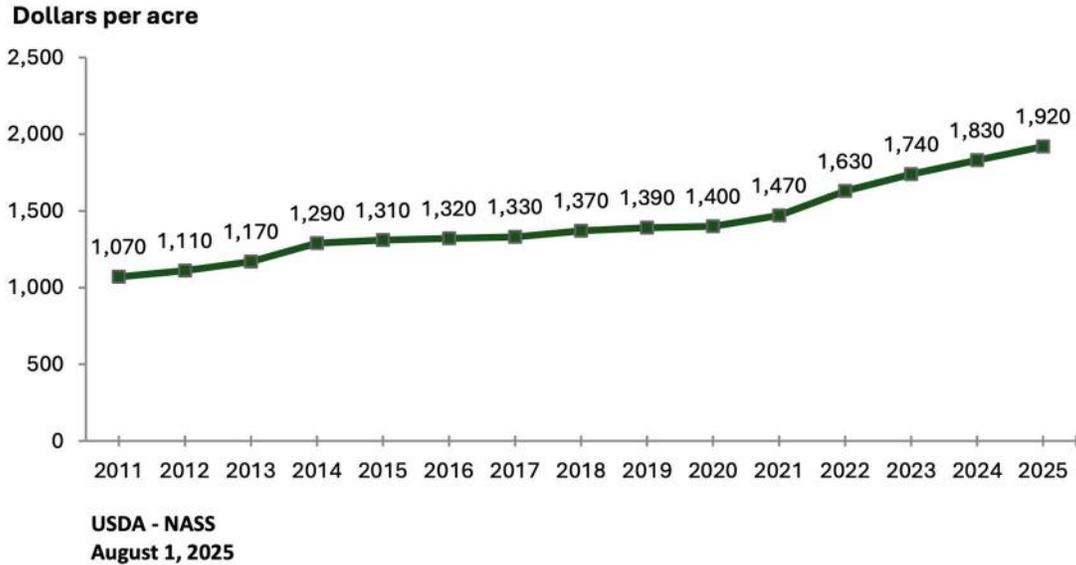
2025 Cropland Value by State Dollars per Acre and Percent Change from 2024



Pasture Value

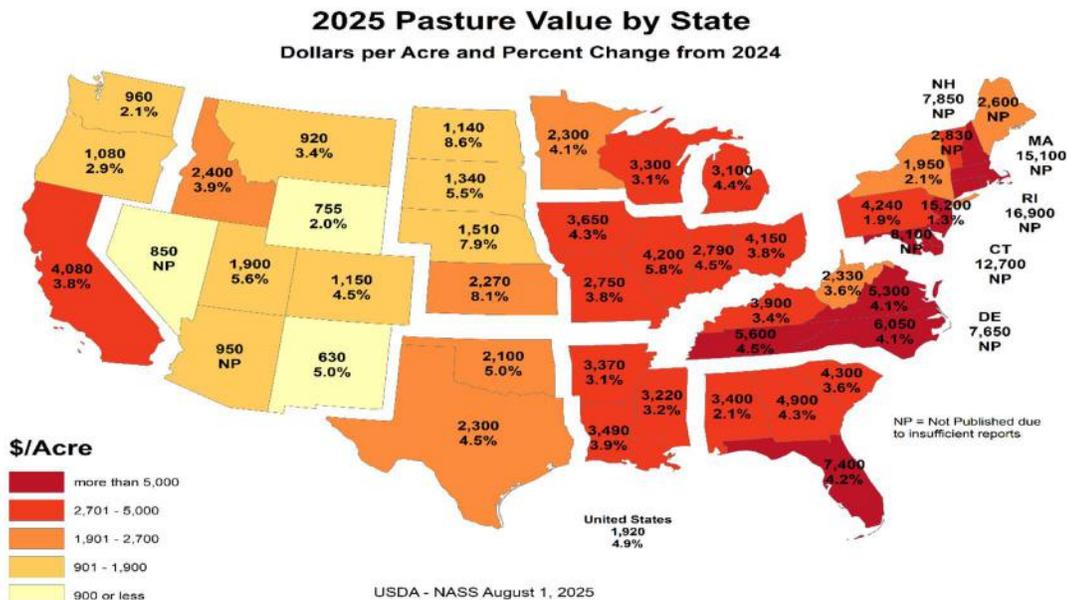
Average pasture value within the U.S. has generally increased over the period shown. The 2025 average value was \$1,920 per acre, continuing an upward trend.

Average Pasture Value – United States: 2011-2025



Pasture Value by State

The pasture value by state is presented below. Values are generally highest along the eastern coast and lowest in the Mountain region.



General Colorado Agricultural Trends

Statewide, residential and commercial development have consumed significant tracts of farm and ranch lands, especially near urban areas and mountain resorts. Colorado’s continuing population growth may stimulate more sales of agricultural land for development if farming becomes less attractive economically. As a result, the total acreage inventory of agricultural lands may diminish as seen in the 5.2% decrease in acreage devoted to farming between 2012 and 2022.

Colorado Farm Trends			
	Number of Farms	Land in Farms	Average Farm Size
2012 Census	36,180	31,886,676	881
2017 Census	38,893	31,820,957	818
2022 Census	36,056	30,213,899	838
2012-2022 % change	-0.3%	-5.2%	-4.9%
2017-2022 % change	-7.3%	-5.1%	2.4%

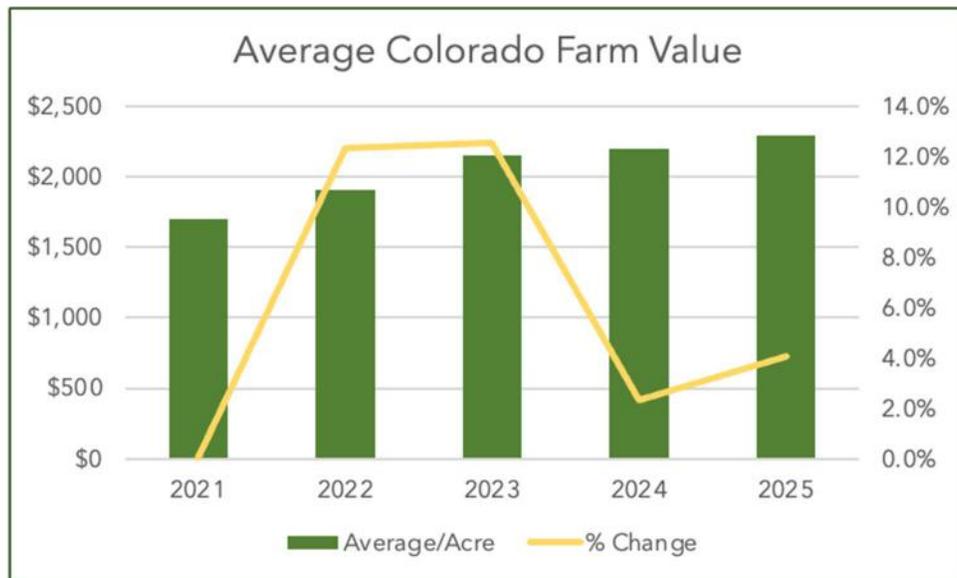
USDA - NASS

The average Colorado farm value has been on the rise during the last five years, with an annual average change of 6.1%. The 2024 average value of Colorado farm acreage reported the smallest annual increase of 2.3% from the prior year.

Average Colorado Farm Value		
	Average/Acre	% Change
2021	\$1,700	--
2022	\$1,910	12.4%
2023	\$2,150	12.6%
2024	\$2,200	2.3%
2025	\$2,290	4.1%
Annual Change		6.1%

USDA - NASS

Although the average farm value has trended upward since 2021, the annual increases are less than prior years.



National Trends Influencing Colorado

The appeal of the American west is well known, and the western states of Colorado, Utah, New Mexico, and Idaho continue to attract both visitors and new residents. One key attraction is the well-developed ski resort industry, which attract a highly affluent clientele from throughout the U.S. and abroad. Yet, increasingly visitors are also drawn by summer recreation activities such as back country camping, four-wheeling, sightseeing, hunting, fishing, hiking, boating, golfing, biking and horseback riding.

As discussed in the Appraisal Institute’s 2022 article *Home on the Range*, the Covid pandemic spurred the sale of ranch land across the West. During the pandemic, many people relocated from urban, developed areas to more rural ones. Since the beginning of the pandemic, ranch properties of all shapes and sizes have been snapped up across the country. In 2021, ranch and land sales hit record highs.

A number of ranch brokers listed investment opportunity as a top reason buyers are purchasing ranch land. Many Western states have favorable property tax rates, which has led to investors deploying capital in these locations as a means of preserving wealth. Currently Colorado has the third lowest tax rate in the country. Colter DeVries, a real estate agent and host of The Ranch Investor podcast, says, “With 10-year treasuries at an all-time low, investors - people mostly outside agriculture - are looking for alternative investments. They are looking to buy ranches as an investment, not just a lifestyle or recreation purchase, although those factors undoubtedly play into the purchases.” He says that while there is demand, the inventory of these kinds of properties is low.

Some buyers do enter into leases with traditional ranchers who run cattle – allowing them to maintain agricultural land tax breaks and collect some revenue. Mansion Global’s article *Land Grab: The Allure of Rustic Living is Driving Ranch Buyers Out West* explains that ranches are also being used as an estate-planning tool. Buyers have a lot of income, so it’s highly beneficial to put a lot of land into conservation easements as a way to lessen their estate-tax burdens through charitable contributions. Conservation easements are placed for altruistic reasons as a way to protect the land, but some landowners also use them to alleviate their income tax burden.

State Law - 35 Acre and Greater Subdivisions

Conversion of ranches and larger agricultural tracts is common in Colorado mountain communities and 35-acre home sites may be legally platted by state law without being subjected to municipal or county zoning ordinances.

C.R.S. 30-28-101(10) specifically excludes from the definition of “subdivision” within unincorporated counties any division of land which results in parcels of 35 acres or more and House Bill 96-1364 encourages 35-acre lot cluster development plans that preserve at least two-thirds of the total tract as permanent agricultural use and/or open space by allowing added density up to two units per 35-acre tract. Such 35-acre cluster provisions are consistent with the zoning ordinances of many mountain counties.

Drought

Drought is the absence of precipitation, rather than the presence of an event like a hurricane, tornado, or fire. It is often described as a “creeping phenomenon” because it slowly impacts many sectors of the economy and can last from just a few weeks or months to multiple years. Several physical indicators are important for monitoring drought, such as precipitation and temperature, water supply (e.g., streamflow, reservoirs), and soil moisture. Just as drought is difficult to define, it’s also difficult to monitor—particularly to mark the beginning and end of a period of drought. Drought’s effects also vary from region to region. Due to climatic differences, what might be considered a drought in one part of the country may not be a drought somewhere else.

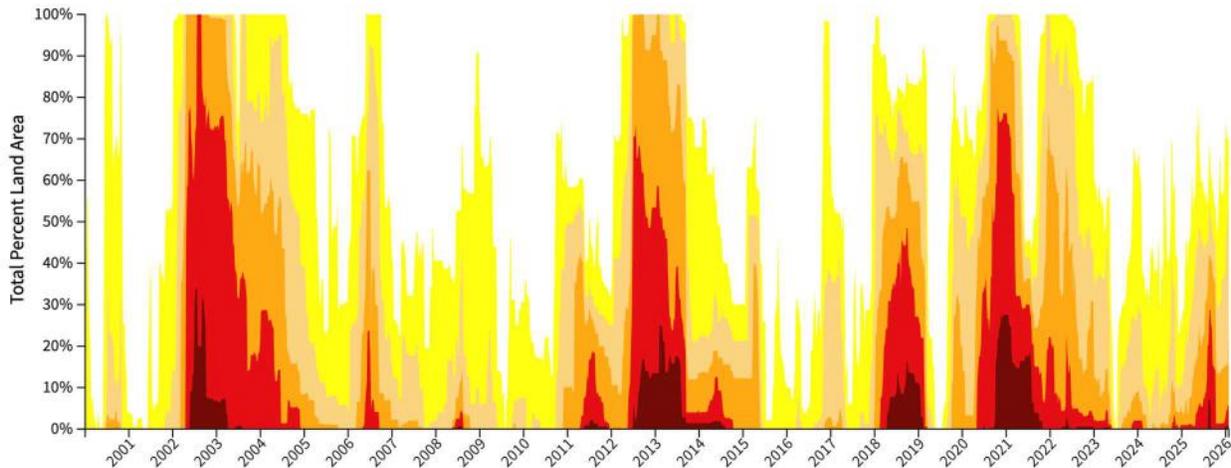
Drought can reduce both water availability and water quality necessary for productive farms, ranches, and grazing lands, resulting in significant negative direct and indirect economic impacts to the agricultural sector. Drought can also contribute to insect outbreaks, increases in wildfire and altered rates of carbon, nutrient, and water cycling—all of which can impact agricultural production, critical ecosystem functions that underpin agricultural systems, and the livelihoods and health of farming communities.

Drought ranks third among environmental phenomena associated with billion-dollar weather disasters since 1980, behind tropical cyclones and severe storms. The cost of drought events averages over \$9 billion per year, with an annual cost of over \$6 billion, making it a serious hazard with substantial socioeconomic consequences. Sustained drought has considerable negative effects on crops and livestock, including reduced production, destruction of property, and livestock sell-offs.

Drought and its impacts vary from region to region—due to differences in climate. In Colorado and across the Intermountain West region (Wyoming, Colorado, Utah, Arizona, and western New Mexico), drought onset may occur quickly and last a season, or begin gradually and last decades. The Rocky Mountain region relies on winter snowpack to sustain cities, towns, agriculture and recreation. In the Southwest, the summer monsoons help people and livestock get through the hot summer months.

The Colorado River is the largest perennial stream in the Intermountain West, feeding the two largest reservoirs in the United States. Winter snowpack in the Colorado Rockies usually sets the tone for drought conditions from year to year.

Drought is a normal climate pattern that has occurred in varying degrees of length, severity, and size throughout history. The U.S. Drought Monitor is a weekly map that shows the location and intensity of drought across the country since 2000. The graph below depicts historic drought conditions in Colorado from January 2000 through January of 2026. The darker the color, the more severe the drought.

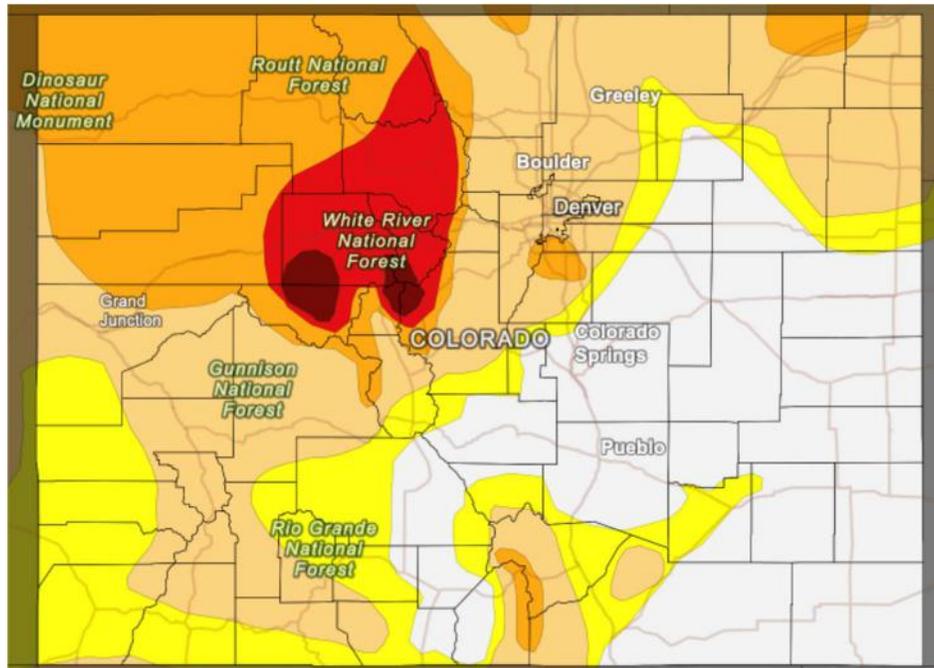


The map below is a display of current drought conditions in Colorado. The U.S. Drought Monitor depicts the location and intensity of drought across the country. The map uses 5 classifications: Abnormally Dry (D0), showing areas that may be going into or are coming out of drought, and four levels of drought (D1-D4).

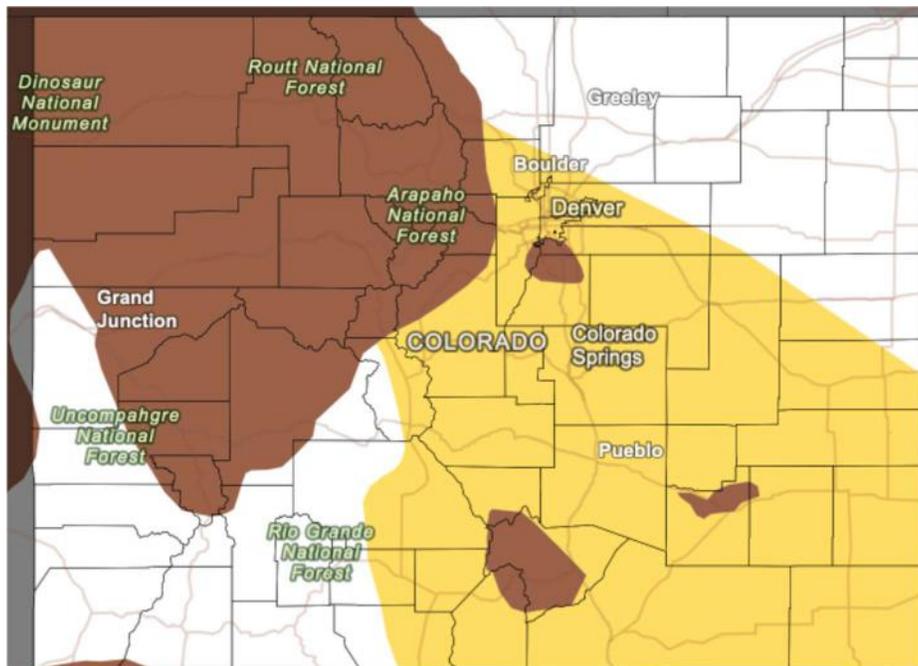
Drought & Dryness Categories

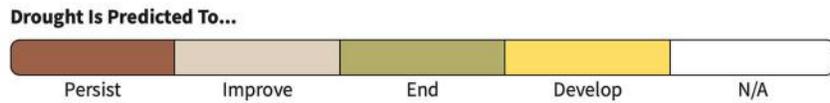


The U.S. Drought Monitor estimates that 52.4% of the state is currently experiencing drought conditions ranging between exceptional drought (0.8%), extreme (4.8%), severe (17.1%) and moderate (29.6%), while an additional 17.6% of the state is considered abnormally dry.



The Climate Prediction Center issues its Seasonal Drought Outlooks monthly. The Seasonal Drought Outlook predicts whether drought will develop, remain, improve, or be removed in the next 3 months or so. As of January 31, 2026, the northwestern portion of the state is predicted to remain in drought as the southeastern portion develops drought conditions.





Agricultural Land Values

The USDA provides data by state and is separated into irrigated and non-irrigated cropland as well as pastureland, the definitions of which are as follows:

Irrigated cropland value:

The value of land that normally receives or has the potential to receive water by artificial means to supplement natural rainfall. Irrigated cropland may consist of both land that will or will not be irrigated during the current year, but still has the facilities and equipment to do so. Irrigation facilities and equipment such as wells, pumps, canals, ditches, reservoirs, lakes, tanks, ponds, rivers, streams or creeks are usually present or on nearby acres.

Non-irrigated cropland value:

The value of land that only received water by natural rainfall.

Pasture, grazing and grassland value:

The value of land that is normally grazed by livestock. Pasture does not need to have livestock grazing on it at the time of the interview or during the current year to be valued as pasture or grazing land.

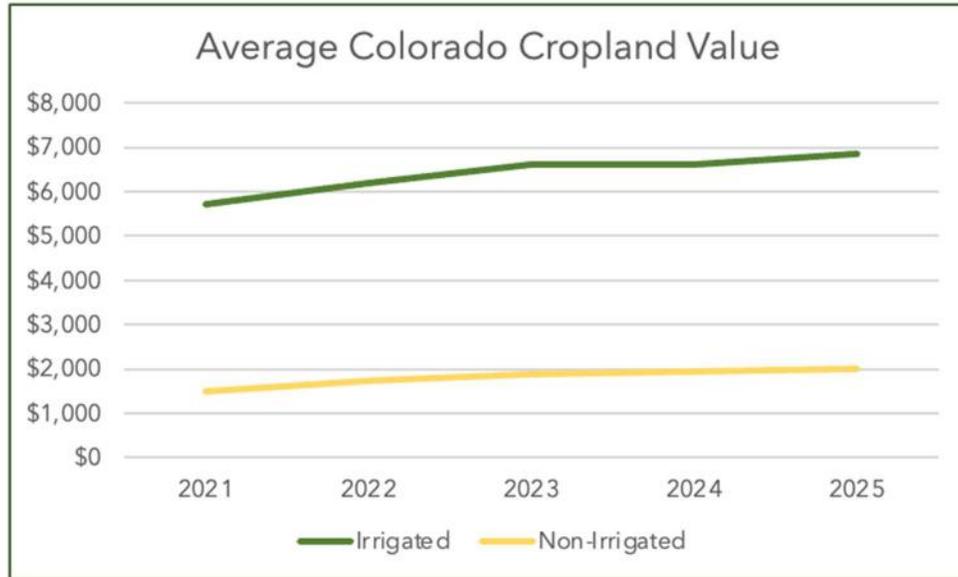
Colorado Irrigated Cropland Values

Irrigated cropland values in Colorado have historically been at least triple that of non-irrigated cropland. Although both types have generally been on the rise during the past five years, non-irrigated land experienced a higher 6.1% annual change compared to 3.7% annual increase for irrigated land. The *Land Values 2025 Summary* reports that irrigated land prices rose 3.5% in 2025. Annual values for non-irrigated land have increased at a more rapid rate compared to irrigated land, though these annual increases have been diminishing in size.

Average Colorado Cropland Value						
	Irrigated		Non-Irrigated		Difference	
	Value/Acre	% Change	Value/Acre	% Change	Value/Acre	% Change
2021	\$5,700	--	\$1,480	--	\$4,220	--
2022	\$6,200	8.8%	\$1,730	16.9%	\$4,470	5.9%
2023	\$6,620	6.8%	\$1,870	8.1%	\$4,750	6.3%
2024	\$6,620	0.0%	\$1,950	4.3%	\$4,670	-1.7%
2025	\$6,850	3.5%	\$1,990	2.1%	\$4,860	4.1%
Annual Change	3.7%		6.1%		2.9%	

USDA - NASS

Irrigated cropland values have increased 20.2% since 2021, while non-irrigated land values increased 34.5% during the past five years.



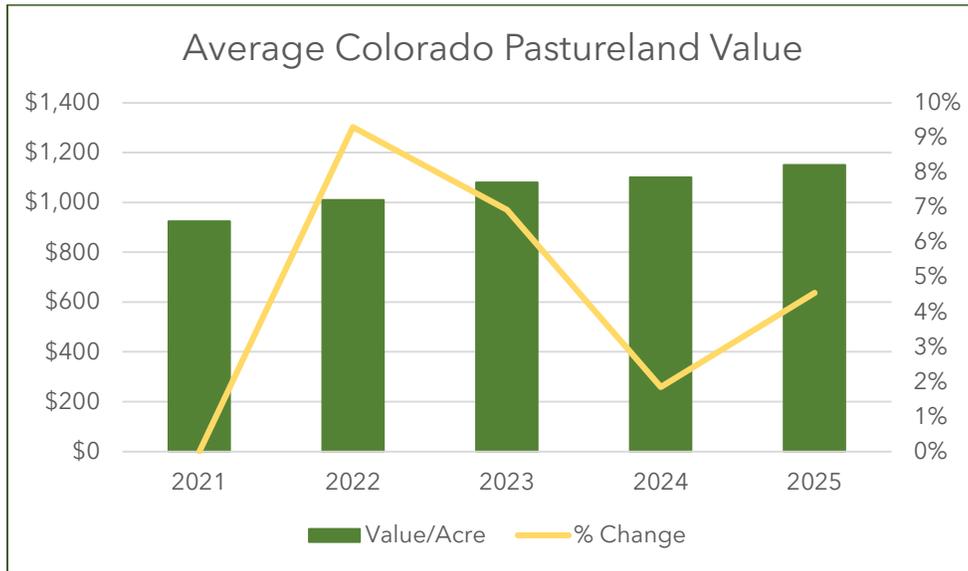
Colorado Pastureland Value

Since water rights are not included with dry pastureland the values generally do not fluctuate to the same extent as irrigated farmland values and are not tied as closely to the supply and demand for water. Pastureland values experienced an overall annual increase of 4.5% during the five-year period with the largest jump in 2022. However annual increases in value since that time have been less. Pastureland values increased 4.5% between 2024 and 2025, as reported in the *Land Values 2025 Summary*, up from the previous period’s 1.9% increase.

Average Colorado Pastureland Value		
	Value/Acre	% Change
2021	\$924	--
2022	\$1,010	9.3%
2023	\$1,080	6.9%
2024	\$1,100	1.9%
2025	\$1,150	4.5%
Annual Change		4.5%

USDA - NASS

Pastureland values increased \$226 per acre during the last five years.



Factors Influencing Value

Water Rights

Water rights and obligations to downstream users with senior rights, typically transfer to the new owner with agricultural land. Water rights are especially important for those parcels with land that can be irrigated for agricultural purposes. It is not uncommon for water to be re-circulated to maintain minimum flows. However, in the West, water rights can be bought and sold as a separate asset. Sometimes there are separate markets for the water itself, but often it is the contributory value of the water right in the form of irrigated and sub-irrigated acreage, ponds, lakes and riparian areas that need to be considered. As urbanization continues throughout Colorado, water rights are expected to continue to gain value as municipal demand for water grows.

Mineral Rights

Colorado’s vast land expanse contains soil and rock loaded with a variety of minerals that are desirable by parties that have means to develop them. The plethora of minerals that can be extracted from the ground include coal, oil, natural gas, metals, ores, gemstones, salt, or other materials extracted from the ground. Colorado is a state that recognizes separate ownership between the private land (Surface Estate) and the minerals (Mineral Estate) that lie within. It is usually the case that different owners own the surface and the subsurface estates. The law in Colorado states that for a party to develop the mineral interest on a mineral estate, access to the subsurface estate must be granted for “reasonable use.”

Mineral rights are exercised by owning parties to develop a resource. Land originally owned by the government or by private landowners is sold or leased in a subsurface mineral interest transaction. A deed or a lease determines ownership and rights are transferred through legal contacts. An interest in real estate may not always include minerals with the purchase of the property. The rights may have been sold or leased by a previous owner. This is called a Split-Estate, where the mineral rights are sold separately from the surface rights. Oil and natural gas resources are typically the most lucrative mineral rights.

Existing Improvements

The value that improvements add to a ranch depends on the size, use, and scope of the property. Operating/working ranches benefit from good functioning working improvements. Well maintained barns, corrals, gates, and fences enhance value, while visible signs of deferred maintenance can significantly reduce value. A balance of well-maintained facilities is typically the objective as often sellers have issues in recapturing values on over-improved properties.

Adjacency to Public Land

Ranch values are typically enhanced due to adjacency to public lands as these lands may act as open space. Leases on adjacent public lands may increase the grazing capacity by a substantial amount and allow properties with significant hay production to rotate cattle off prime irrigated meadows during hay season on to public lands, affording greater operational efficiencies and profitability. In addition to this operational aspect, neighboring public lands can increase the sporting and recreational opportunities of a ranch, which also enhances value.

Access

Access is a fundamental issue to land ownership and access issues need to be scrutinized when valuing a ranch. Some properties may be landlocked, located in an area that is surrounded by land owned either privately or publicly, with no nearby road. The ranch may contain non-contiguous parcels that are not accessible to one another. In these cases, an easement with a neighboring property should be in place. If the ranch is accessible by a road the ownership, condition and maintenance of it are also key. Roads may be seasonal or year-round, municipally or privately owned, graded or paved. Lack of a deeded and year-round access off a public road will impact values. Additionally, access also relates to the rights of others to cross the ranch's deeded ground to reach adjoining land or to access water ditches. Proximity to amenities such as towns, resorts, recreational areas, and regional airports also impacts value.

Recreation

Availability of recreational resources on a ranch and adjoining public lands play a substantial role in influencing ranch values. Many ranch owners have learned to diversify their ranching operations to include additional revenue streams such as hunting and recreational activities. Perhaps one of the greatest impacts to value is the presence of wildlife or fishery habitat and the availability of hunting tags for the specific area. Rivers and streams that have a functioning fishery obviously increase the value of a ranch and vary based upon the quality of the stream and the fish that reside within them.

The Colorado Parks and Wildlife’s Landowner Preference Program (LPP) was created to give landowners a preference for hunting licenses to encourage private landowners to provide habitat that increases wildlife populations for the benefit of all hunters, discourage the harboring of game animals on private lands during public hunting seasons, and relieve hunting pressure on public lands by increasing game hunting on private lands. The land must meet several required qualifications, including a minimum of 160 contiguous acres of private agricultural land, to receive one tag. Hunters may pay a premium for a 160-acre ranch to qualify for a hunting tag.

Setting

Privacy with unobstructed view-sheds of mountain peaks and sweeping meadows are some of the most important features that add value. Ranch buyers tend to look for the secluded private settings that ranches offer and the peace that this solitude provides. Ranches at higher elevation on the western slope will see a higher price per acre simply due to climate, location, and proximity to national forests. The location is perhaps the most significant factor in the overall valuation of a property.

Land Use Statistics

The subject is located in Gunnison County. As illustrated in the following table, only 11.0% of the land area in Gunnison County is devoted to farming compared to the state’s 45.6%.

According to the U.S. Drought Monitor 100% of Gunnison County is experiencing drought ranging from moderate (3.56%), severe (31.86%), extreme (54.02%) to exceptional (10.56%). The August 2025 seasonal outlook predicts drought conditions to persist throughout the county during the next three months or so. Of the total land area in Gunnison County, only 2.3% is irrigated farmland.

2022 Land Use - Gunnison County and Colorado						
Location	Land Area (acres)	Farm Land (acres)	Irrigated Area (acres)	Cropland (acres)	Farms	Avg Farm Acres
Gunnison County	2,073,051	227,945 11.0%	48,395 2.3%	40,878 2.0%	333	685
Colorado	66,329,503	30,213,899 45.6%	2,287,808 3.4%	10,479,125 15.8%	36,056	838

USDA Census of Agriculture 2022. Most recent as of 2025.

Gunnison County Farm Tenure and Producer Characteristics

During the decade presented, Gunnison County gained full owner farms as it lost acreage. Partial ownership farms experienced an addition of 15 farms and over 33,000 acres. The number of tenant farms doubled, though acreage dropped 12.1%

Gunnison County - Tenure by Number and Acreage					
Tenure & Acreage	2012	2017	2022	2017-2022 % Change	2012-2022 % Change
Number of Full Owner Farms	191	235	257	9.4%	34.6%
Acreage	108,519	134,095	99,340	-25.9%	-8.5%
Number of Part Owner Farms	45	54	60	11.1%	33.3%
Acreage	80,079	115,689	113,538	-1.9%	41.8%
Acreage Owned	35,098	55,638	57,855	4.0%	64.8%
Acreage Rented	44,981	60,051	55,683	-7.3%	23.8%
Number of Tenant Farms	8	20	16	-20.0%	100.0%
Acreage	1,645	17,138	15,067	-12.1%	815.9%

USDA Census of Agriculture 2012, 2017, 2022. Most recent as of 2025.

After the 2012 Census, the National Agricultural Statistical Service convened an expert panel to consider feedback from data users and stakeholders that the census did not adequately measure the contributions of all persons involved in U.S. farm operations and agricultural production. Based on the recommendations of the panel, the 2017 Census questionnaire allowed farmers and ranchers to designate multiple people per farm as principals instead of just asking for one "principal operator" as in previous years. Due to this change, the 2017 data is significantly higher than previous years.

Since 2017 there was a shift from farming as a primary occupation to farming as a secondary occupation. During the same period increases in both male and female operators were reported.

Gunnison County - Operation and Producer Characteristics					
Characteristic	2012	2017	2022	2017-2022 % Change	2012-2022 % Change
Farming as primary occupation	116	250	244	-2.4%	110.3%
Other primary occupation	128	322	461	43.2%	260.2%
Principal Operator - male	196	348	443	27.3%	126.0%
Principal Operator - female	48	224	262	17.0%	445.8%

USDA Census of Agriculture 2012, 2017, 2022. Most recent as of 2025.

Gunnison County Farm Value

The table below provides a specific overview of farm values within Gunnison County. The overall number of farms and the total farm acreage during the decade presented. The value per acre increased 3.8% during the ten-year period. The 2022 per acre price of \$2,924 was 21.8% higher than the state average of \$2,401. Note that the values presented are based on the Census of Agriculture questionnaire responses received from farm producers.

Gunnison County - Value of Land and Buildings					
	2012	2017	2022	2017-2022 % Change	2012-2022 % Change
Number of Farms	244	309	333	7.8%	36.5%
Total Farm Acreage	190,243	266,922	227,945	-14.6%	19.8%
Average Farm Acreage	780	864	685	-20.7%	-12.2%
Average Value per Farm	\$2,197,246	\$2,217,820	\$2,001,449	-9.8%	-8.9%
Average Value per Acre	\$2,818	\$2,567	\$2,924	13.9%	3.8%

USDA Census of Agriculture 2012, 2017, 2022. Most recent as of 2025.

Conclusions

Gunnison County is primarily rural, with 79.8% owned by government entities that include federal public lands. Outdoor recreation opportunities abound, and include hunting, fishing, hiking, climbing, rafting, biking, skiing, and other activities typically associated with Colorado.

Agriculture would not be considered an economic driver for Gunnison County. Less than 1% of county residents claim farming as their occupation. Of the approximately 2 million acres of land in Gunnison County, only 11.0% is farmland. Although land values decreased 9.8% between 2012 and 2017, the 2022 Census of Agriculture shows an uptick of 13.9% between 2017 and 2022.



The subject is situated within the jurisdiction of Gunnison County, which has not adopted official zoning districts or codes. Instead, land use is dictated by a public review process, with performance standards set by the Gunnison County Land Use Resolution that was adopted on January 8, 2001 (and last amended on December 19, 2023). A Land Use Change Permit must be obtained for any change to a parcel within unincorporated areas, which approves a specific use based on its ability to mitigate the impacts it creates based on locational, design, infrastructure, and resource protection standards. Projects are classified as Administrative Review, Minor Impact, Major Impact, and Special Development, depending on the level of impact the proposed use will have on its neighbors and the community.

The project application is reviewed by the Planning Commission, with the Board of County Commissioners making the final decision. However, uses that only require Administrative Review are decided by staff with no public hearings, such as single-family residences of 10,000 square feet or less. New commercial uses on parcels greater than five acres are classified as a Major Impact project. Consistent with state statute, a parcel of land 35 acres or larger in size can legally be created by recordation of a deed with the County Clerk, but smaller parcels require subdivision approval. Development of new residential housing must provide adequate water supply, sewage disposal, fire protection, access roads, and utilities, with consideration given to physical constraints from steep slopes, geology, soils, wildlife habitat, wetlands, floodplain, avalanche hazards, etc.

Ingress/egress to the dwelling must meet County Road and Bridge standards, with unimproved driveways allowed for one or two residences, but an improved road required for more homesites. At least one acre of land is required for the installation of an individual septic disposal system. Therefore, the previously unencumbered 100.00± acre Willow Creek Property could have accommodated up to two, 35.00+-acre rural residential lots as a use by right. Compatible commercial/recreational land uses include a hunting lodge or mountain resort would require a Land Use Change Permit (as a Major Impact project), with no guarantee of approval.

Conclusions

The subject CFOP is in basic compliance with all applicable zoning and land use regulations, consisting of one agricultural and recreational tax parcel with 100.00± acres. The subject's immediate area consists primarily of public Bureau of Land Management land, being adjacent to the Curecanti National Recreation Area and the Blue Mesa Reservoir. Given the significant amount of surrounding public lands, there is very little private land along the County Road 31 corridor that is available for development. However, land to the west along State Highway 149 consists of a mix of rural ranches and 35.00+-acre residential lots, with seasonally accessible lots being developed along adjacent BLM roads. As documented later in this report, three of the five comparable sales utilized to value the subject on a Before basis were seasonal access properties improved with residences, indicating ample demand for rural residential uses in remote portions of Gunnison and Saguache Counties.



Administration and Collection

The county assessor determines the value of most property in the county and submits an abstract to state property tax administrators by August 25 annually. The board of county commissioners (BOCC), acting as the county board of equalization, adjusts the valuations to be equalized in the county. The State Board of Equalization certifies each county's abstracts by October 30 annually. This is the basis for the tax roll, which is sent to each county treasurer by January 10. The county treasurer collects and disperses property taxes. The property tax administrator, through the Division of Property Taxation, appraises public utility and rail transportation properties. The county treasurer mails tax bills to property owners after January 1 following the year the property taxes were levied.

Reassessment Cycle: Vacant, residential, commercial, industrial, and agricultural property are assessed biennially in odd-numbered years. The 2025-2026 assessed values for property classes are based on January 1, 2024 to June 30, 2025 sales data. If lacking, data from the prior six-months (up to five years) may be used. Agricultural property valuation is based on a ten-year average of net farm income. Natural resource, mining, oil and gas, and state assessed properties are valued annually.

Assessed Value: Previously the Gallagher Amendment required that the total state property tax collected must be 45% from residential properties and 55% from commercial properties. Commercial, industrial, vacant, agricultural, natural resource, and state assessed property have a fixed commercial assessment rate of 29%, while the residential assessment rate was readjusted each year.

However, in November of 2020 Colorado voted Yes on Amendment B, which repealed the 38-year-old Gallagher Amendment removing the set ratios and giving the state legislature the ability to decrease future property tax assessment rates. However, due to the Tax Payer Bill of Rights (TABOR) Amendment, approved by voters in 1992, voter approval is required to increase the rate.

The immediate result was that assessment rates stayed as-is, with the residential rate at 7.15% and commercial rates at 29.00% in 2021. Subsequently, and under the allowance of Amendment B, the legislature passed SB-238 into law. This bill will further reduce the residential assessment ratio to 6.95% for 2022 and 6.76% for 2023, with future years to be determined. The commercial rate will be maintained at 29.00% for 2022, reduced to 27.90% in 2023, and return to 29.00% for 2024, with future years to be determined.

Property Tax Revenues

Mill Levy: Local taxing authorities determine a mill levy for their entity each autumn. Save school districts, a taxing jurisdiction's mill levy is determined by dividing the jurisdiction's property tax needs by its total assessed value, subject to maximum limitations. The BOCC certifies levies.

Taxpayers are subject to at least county and school district mill levies, but a variety of entities can also impose levies. The property tax bill is the total mill levy of all taxing districts where the property is located. The tax owed is the total mill levy multiplied by each \$1,000 of a property's assessed value.

Limitations on Property Tax Revenues: For property tax rates, local governments must have prior voter approval for a mill levy above that for the prior year. Per the TABOR Amendment, the percentage change in property tax revenue is limited to inflation in the prior calendar year plus local growth. For school districts, local growth is the percent change in student enrollment; for all other local governments, local growth is the net percent change in the entity's actual value created by the tax base. Whichever limitation generates the lower property taxes applies.

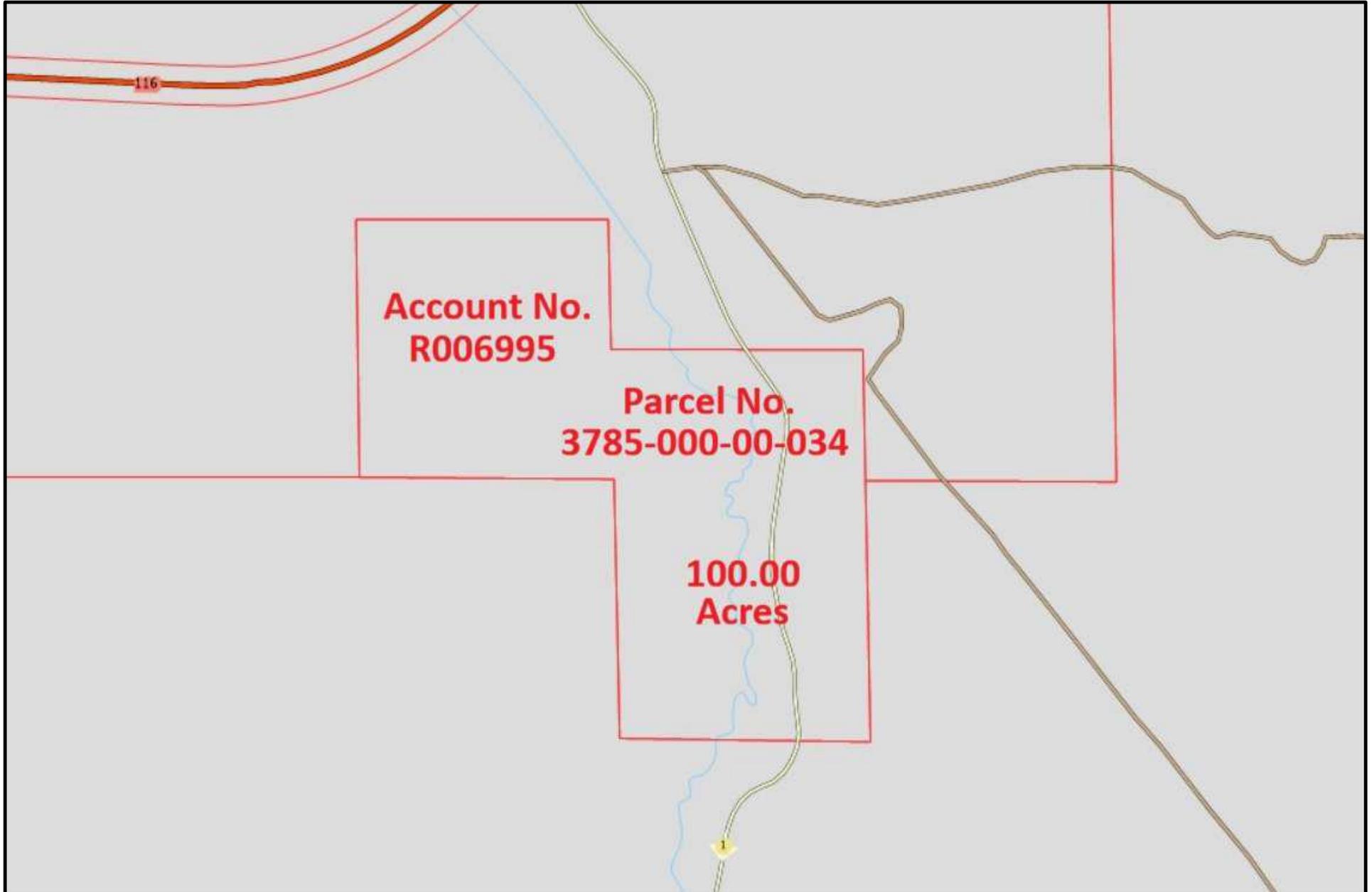
A limitation exists for counties, cities, and towns not chartered as home rule. If more restrictive than the state restriction, taxing entities are required to follow the limitation. These taxing entities are limited to revenue increases of 5.5% above the prior year's revenue. The limit may be exceeded for capital expenditures approved by a public hearing. Other revenues excluded from the limitation include those for payment of bonds, interest, and contractual obligations, reappraisal expenses, and repayment of state equalization payments. Some property valuations (e.g., annexations, new construction, increases in value that will cause increases in services) are also exempt from the 5.5% revenue limit. All taxing entities must obtain voter approval to raise property taxes above 5.5%. Special districts may submit a request to the Division of Local Government for additional property taxes but must also gain approval from the electorate before property taxes can be raised.

Subject CFOP

Details concerning the subject's mill levy, actual values and assessments over the past five years are summarized below, with a tax parcel map on the following page. As shown, the subject's overall tax burden is very low due to the land being under an agricultural exemption, indicating an Actual Value for the land that is substantially below market. Given recent declines in the local mill levy the subject's overall tax burden has remained virtually unchanged over the past three years, totaling only \$102.08 for the current tax year.

Account Number: R006995 - Parcel Number: 3785-000-00-034									
Tax Year	Taxes Payable	Actual Value Land	Actual Value Improvements	Actual Value Total	Assessment Ratio	Assessed Value	Local Mill Levy	Total Taxes Due	Taxes/Acre
2021	2022	\$7,190	\$0	\$7,190	29.1%	\$2,090	52.472	\$109.67	\$1.10
2022	2023	\$7,190	\$0	\$7,190	26.4%	\$1,900	59.839	\$113.69	\$1.14
2023	2024	\$7,420	\$0	\$7,420	26.4%	\$1,960	51.352	\$100.65	\$1.01
2024	2025	\$7,420	\$0	\$7,420	26.4%	\$1,960	52.221	\$102.35	\$1.02
2025	2026	\$7,380	\$0	\$7,380	27.0%	\$1,990	51.296	\$102.08	\$1.02

TAX PARCEL MAP



**DESCRIPTION OF THE CONTIGUOUS
FAMILY-OWNED PROPERTY**



In analyzing the subject site and improvements the following have been considered:

- 1. A visual inspection conducted on July 17, 2025;
- 2. Conservation Easement Present Conditions Report prepared by the Gunnison Ranchland Conservation Legacy on July 30, 2025;
- 3. Property information provided by the Gunnison County Assessor’s office; and
- 4. ALTA Commitment prepared by the Old Republic National Title Insurance Company with a commitment date of June 30, 2025;

Location: The subject CFOP is bisected by County Road 31 (aka, Willow Creek Road), roughly nine miles southwest of Gunnison in the southwest portion of Gunnison County. This is a rural part of the county, with privately-owned property along the county road generally being surrounded by Bureau of Land Management lands.

Address: TBD County Road 31
Gunnison, Gunnison County, Colorado 81230

Land Size: 100.00± acres or 4,356,000 square feet per the Gunnison County Assessor.

Shape: Irregular, but functional.

Elevation: The central portion of the property has an elevation ranging from 7,540 to 7,580 feet, with the elevation rising to 7,640 feet along the east and west boundaries.

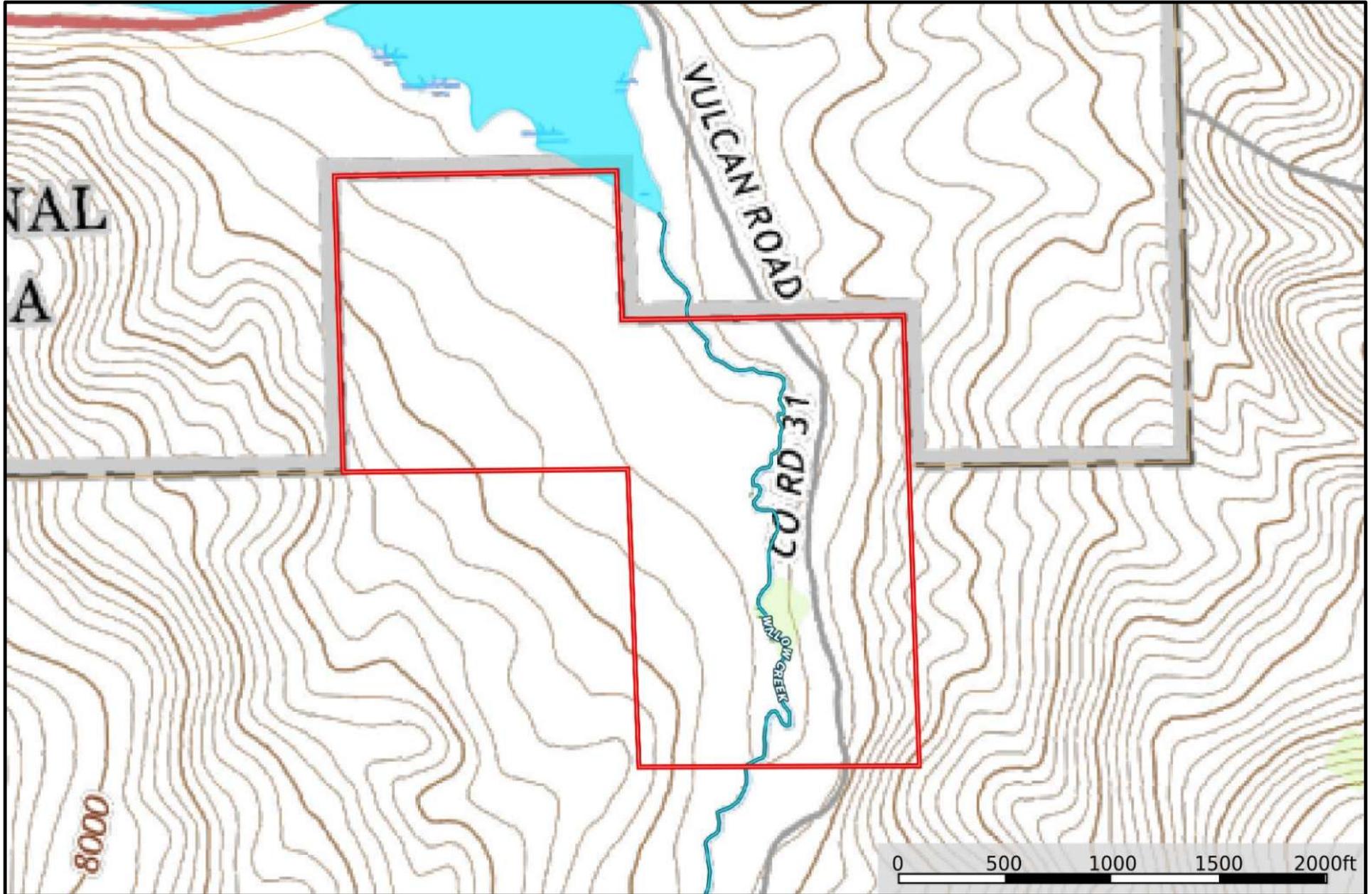
Topography: As shown on the following page, this property consists of gently sloping topography across the central portion of the property, to moderately sloping along its east and west boundaries.

Frontage: Approximately 2,095± feet along the east and west sides of County Road 31, which bisects the eastern portion of the property.

Access: Given the subject’s undeveloped condition there are no driveways currently providing access. County Road 31 is a two-lane, dirt public roadway that is not maintained year-round.

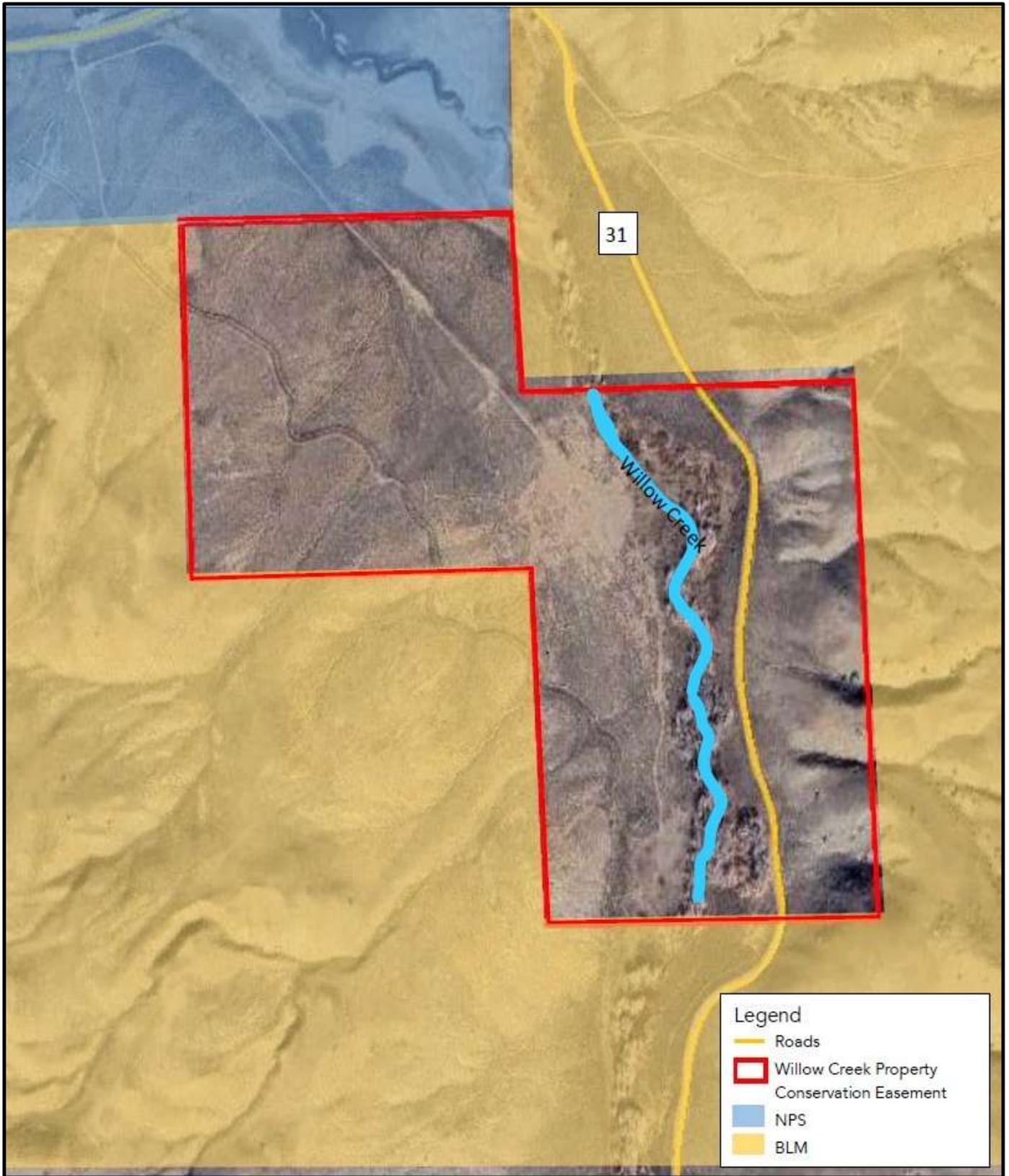
Visibility - Views: Although the significant amount of adjacent public land allows for unobstructed views in all directions, there are no major mountain peaks in this area.

TOPOGRAPHICAL MAP



Covenants:	As a privately owned, vacant agricultural and recreational parcel, the subject CFOP is not encumbered by any covenants, conditions or restrictions.
Surrounding Land Uses:	The southern half of the subject is surrounded by public Bureau of Land Management (BLM), with the northern half being surrounded by the National Park Service's Curecanti National Recreation Area. A small number of private ranches and rural residences are situated along County Road 31 south of the subject, and along State Highway 149 to the west.
Easements - Encumbrances:	The subject is encumbered by a couple of right-of-way easements that are considered typical for rural ranch/residential land in this area. It is a basic assumption of this report that other than the existing conservation easement, there are no other easements or encumbrances which would prevent or negatively impact development.
Flood Plain:	No portion of the subject is situated in a flood hazard area.
Water Rights:	The subject CFOP has no adjudicated water rights.
Percent Irrigated:	0.0%
Water Features:	As shown on the following page, the subject site includes no on-site water features of significance. However, Willow Creek is an intermittent stream that usually flows above ground from early spring to mid-summer in good water years. This stream flows from south to north through the eastern portion of the property for roughly one-half of a mile, entering the Blue Mesa Reservoir roughly one-quarter of a mile to the north.
Utilities:	No public utilities are available along County Road 31, with any potential residential uses being completely off-grid.
Soil Analysis:	A soil report was prepared using the Land id application. <i>It is assumed that the subject site is not impacted by any adverse soil conditions that would impact its future development.</i>

WATER RESOURCES MAP



As Summarized below and on the following page, the subject's land capability consists entirely of soils that have very severe limitations, with 27.9% consisting of Class 4 soils that restrict the choice of plants and 72.1% consisting of Class 7 soils that restrict their use mainly to grazing, forestland or wildlife habitat. Further limitations on productivity include susceptibility to erosion and water in or on the soil that interferes with plant growth or cultivation. The subject's overall National Commodity Crop Productivity Index (NCCPI) is 12.98, indicating very poor soils for intensive crop production (based on a ratings scale from 0 to 100).

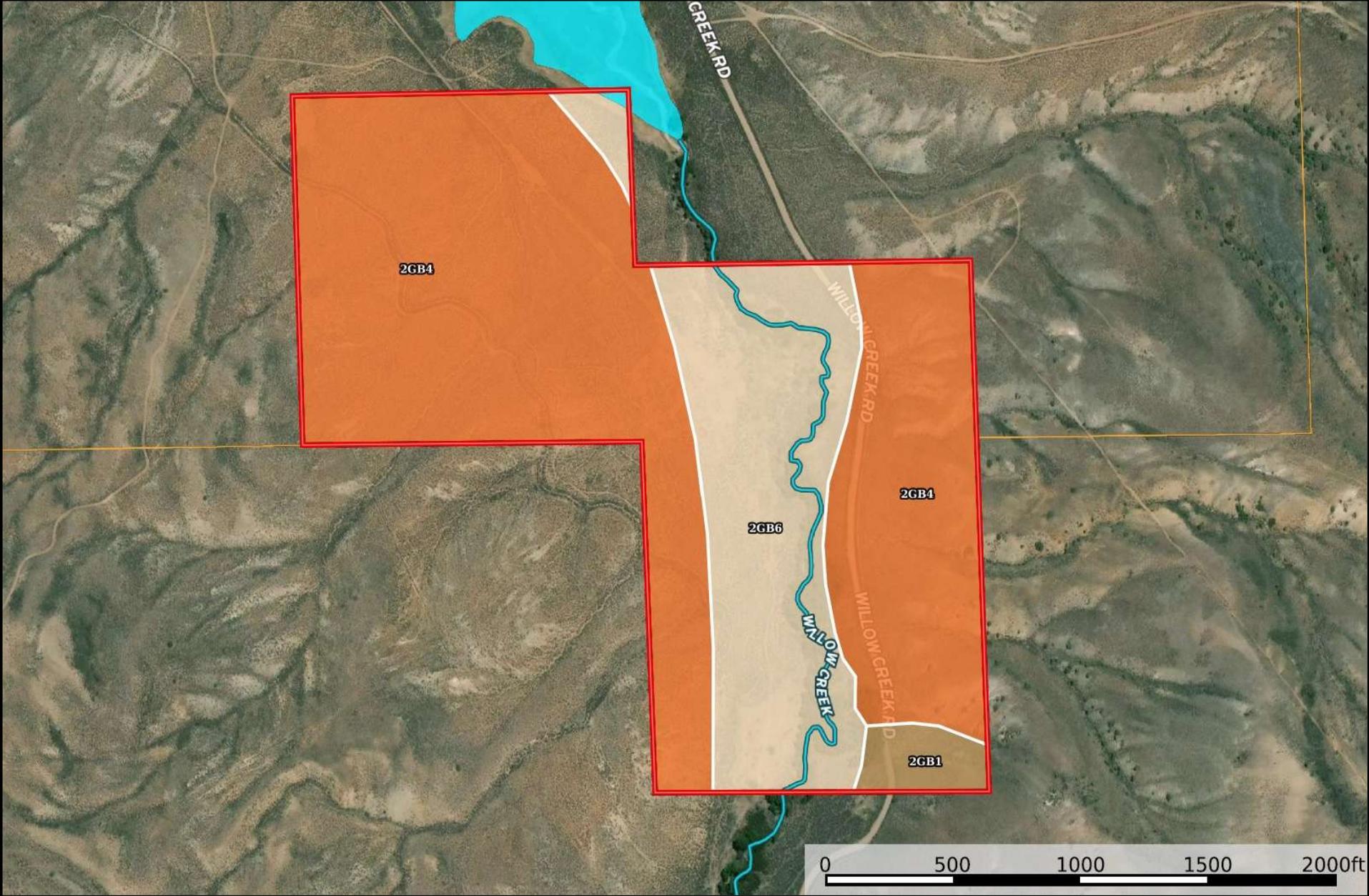
SOIL CODE	SOIL DESCRIPTION	ACRES	%	CPI	NCCPI	CAP
2GB4	Duffson-Beenom, exposed complex, 5 to 40 percent slopes	69.97	69.44	0	10	7e
2GB6	Menbar and Venable soils, 0 to 5 percent slopes	28.08	27.87	0	21	4w
2GB1	Kezar-Beenom,exposed complex, 5 to 45 percent slopes	2.73	2.71	0	7	7e
TOTALS		100.7 8(*)	100%	-	12.98	6.16

It is important to note that the subject's soil types are consistent with the majority of properties in this area of Gunnison County, being mostly suitable for grazing purposes. Also, their corresponding productivity for intensive crop production has no material impact on value, which is consistent with the subject's grazing and recreational uses. Finally, water rights and the percent of ground that can be irrigated for native grass and hay production has the most impact on value, with the subject's lack of irrigated land considered a negative attribute.

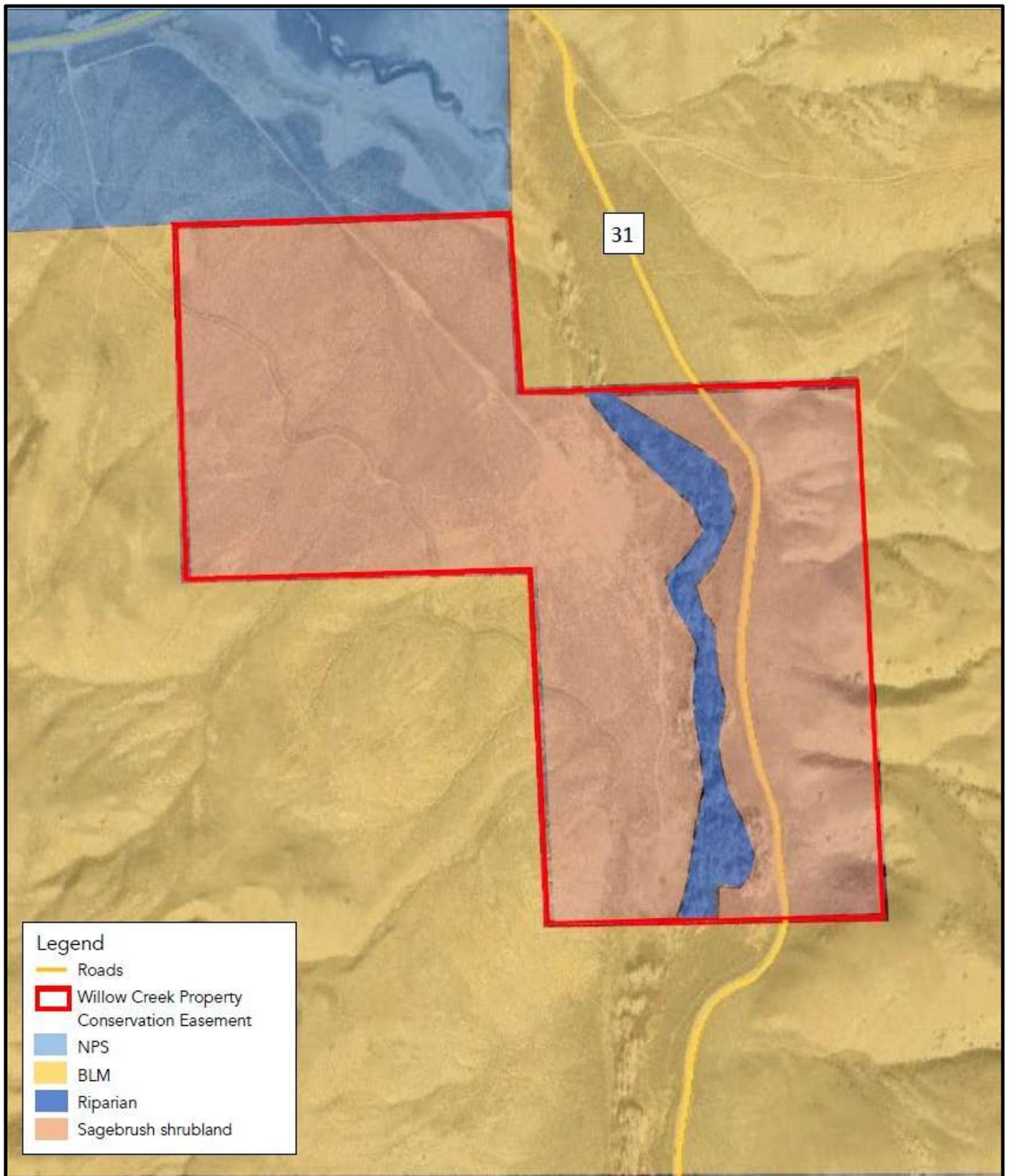
Land Cover:

As shown on the page following the soil map, approximately 95.50± acres or 95.5% of the subject land consists of montane sagebrush shrubland, with the remaining 4.50± acres or 4.5% consisting of riparian vegetation along Willow Creek that includes shrub willows, wild rose, shrubby cinquefoil and narrow-leaf cottonwoods. The subject CFOP is leased by local ranchers for two weeks each year for pass-through grazing for roughly 50 cattle from adjacent BLM permits. Also, because the subject is surrounded by public lands it has excellent recreational hunting attributes.

SOIL MAP



LAND COVER MAP



It is noted that the Willow Creek Property conservation easement only allows two minor agricultural support structures with a maximum footprint of 300 square feet and a cumulative footprint of 600 square feet. No building envelope has been designated, so these minor structures can be constructed anywhere on the property.

Hazardous Substances:

A Phase I Environmental Site Assessment was not provided. ***This appraisal specifically assumes that there are no hazardous substances that would be a detriment to the use or value of this property.***

Natural Features:

The subject contains montane sagebrush shrubland, native montane grasses, and shrubby willow riparian areas along roughly one-half mile of Willow Creek. These habitats provide forage, cover, breeding grounds and migration corridors for a variety of wildlife, including species considered rare, threatened or of special concern such as peregrine falcon, bald eagle and ferruginous hawk. The property also lies in occupied critical habitat for Gunnison Sage-grouse, a sagebrush obligate species listed as threatened. The conservation easement preserves this rangeland habitat for these species and ensures that the subject will be available for agricultural production.

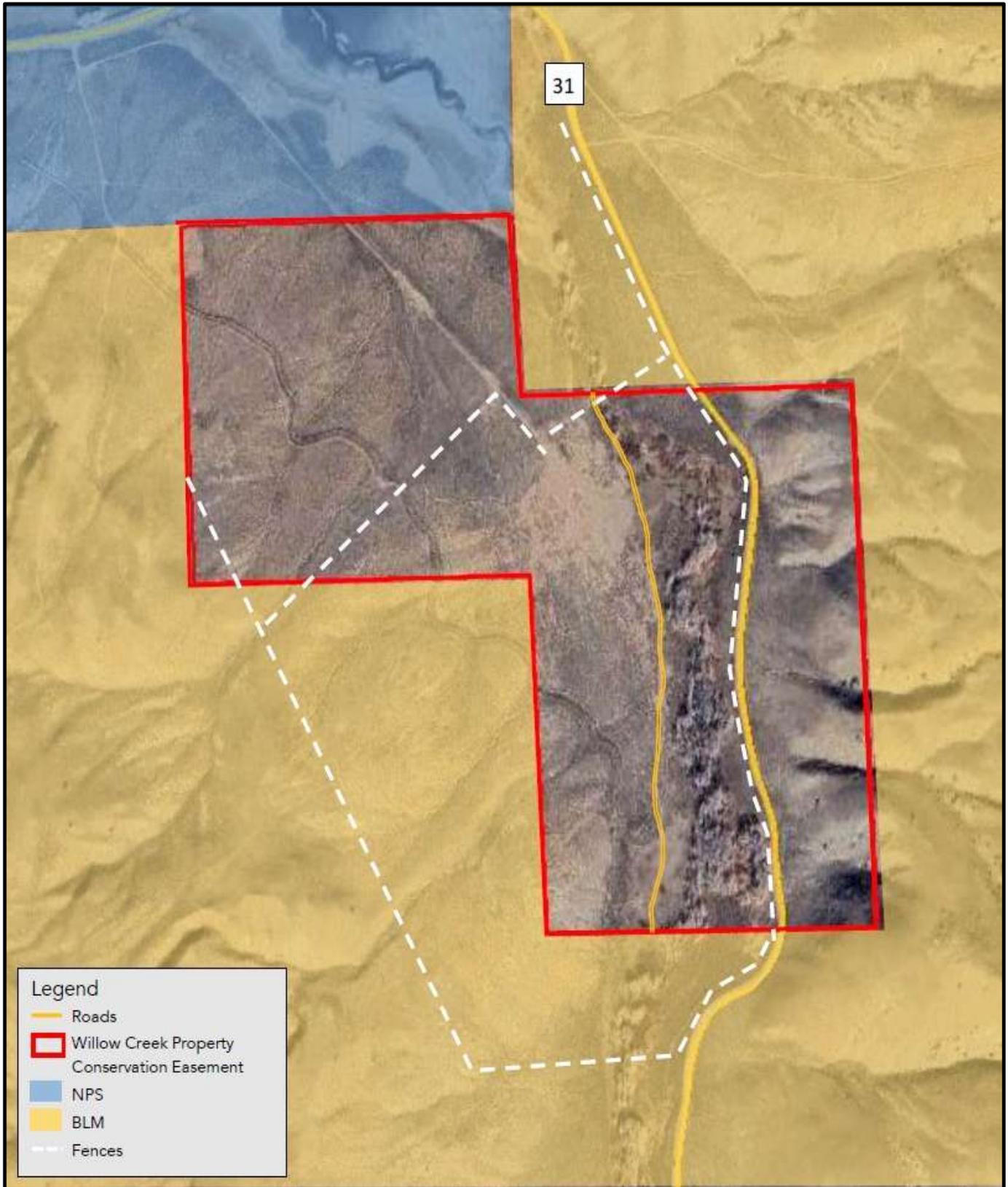
Improvements Description:

As shown on the following page, the subject consists of vacant land with no vertical improvements. However, there is fencing along the west side of County Road 31 and in other areas that assist with grazing management.

Personal Property:

None

IMPROVEMENTS MAP



Conclusions:

The subject CFOP consists of one tax parcel with 100.00± acres that has historically been used for seasonal livestock grazing. This property benefits from relatively easy, but seasonal access from County Road 31 (which is mostly undeveloped) and direct access to a vast amount of public land along all four boundaries. However, most of the site is open, has minimal tree cover and lacks major mountain views. Therefore, while the subject's attributes for ongoing agricultural use are considered below average, the immediate area provides an attractive option for recreational users looking to purchase a hunting property. Given rising prices and a diminished supply of affordable properties in the post-pandemic period, there would be ample demand for the subject if placed on the market for sale.



View of Riparian Area Facing Northwest



View of County Rod 31 Facing North



View of Sagebrush Hillside Land Facing Northeast



View of Riparian Area Facing Southeast



View of County Road 31 Facing South



View of Sagebrush Hillside Land Facing Southeast



View of Sagebrush Land Facing Southwest



View of Sagebrush Land Facing Southeast



View of County Road 31 Facing South



View of Sagebrush Land Facing Southeast



View of Sagebrush Land Facing Northwest



View of Sagebrush Land Facing Southwest



View of Sagebrush Hillside Land Facing Southwest



View of Rangeland Facing West



View of Rangeland Facing Northwest



View of Rangeland Facing Northeast



View of Riparian Area Facing East



View of Rangeland Facing South



View of Riparian Area Facing South



View of Riparian Area Facing South



View of Sagebrush Hillside Land Facing Northeast



View of Riparian Area Facing Southwest



View of Sagebrush Land Facing North



View of Sagebrush Land Facing Northeast



View From Hillside Land Facing Southwest



View From Hillside Land Facing West



View From Hillside Land Facing North



View of Sagebrush Hillside Land Facing Northeast

Valuation - Before the Conservation Easement



The fundamental concept of highest and best use is defined as:

“The reasonably probable use of property that results in the highest value.”¹

To test for highest and best use, all logical and feasible alternatives must be analyzed. The appraiser should determine whether the proposed usage of the land is:

1. Physically Possible
2. Legally Permissible
3. Economically Feasible
4. Maximally Productive

If an affirmative answer can be given to these basic questions, it is determined that the highest and best use test has been satisfied. The appraiser must recognize that land is generally appraised as if vacant and available for development to its highest and best use, and that the appraisal of improvements is based on their actual contribution to the site. Therefore, the highest and best use of a site must be determined both 1) as vacant and 2) as improved. Given that the subject is vacant agricultural and recreational land, only the highest and best use as vacant needs to be analyzed.

Highest and Best Use As Vacant

Physically Possible Uses

The subject in the Before scenario consists of 100.00± acres of vacant dry sagebrush shrubland situated along the east and west sides of County Road 31, roughly nine miles southwest of Gunnison in the southwest portion of Gunnison County. This seasonally accessible property has historically been used for livestock grazing and consists almost entirely of montane sagebrush shrubland, with roughly 4.5± acres consisting of willow riparian vegetation along roughly one-half mile of the intermittent Willow Creek. This ranch has gentle to moderately sloping terrain at elevations ranging from 7,540 to 7,640 feet, and no adjudicated water rights to irrigate any of the land. Also, while the subject CFOP is surrounded by public Bureau of Land Management land and is adjacent to the Curecanti National Recreation Area, most of the land is open, has minimal tree cover and lacks any major mountain views. This rural area of Gunnison County is not served by municipal utilities, with any residential uses being off-grid.

The subject's immediate vicinity consists primarily of public Bureau of Land Management and National Forest lands, indicating very little private land along the County Road 31 corridor that is available for development. However, land to the west along State Highway 149 consists of a mix of rural ranches and 35.00+-acre residential lots, with seasonally accessible lots being developed along adjacent county and BLM roads. Therefore, rural residential development, agriculture and recreational uses are physically possible.

¹ Appraisal Institute, *The Appraisal of Real Estate*, 15th Edition, (Chicago: Appraisal Institute, 2020), 305.

Legally Permissible Uses

The subject CFOP is not officially zoned by Gunnison County, but land use regulations allow one residential dwelling on a minimum of thirty-five acres by right. Therefore, the subject's previously unencumbered 100.00± acres could be developed with up to two, 35+-acre legal home sites depending on market demand. Given the subject's direct County Road 31 frontage, this property would be relatively easy to develop. However, because no electricity service is available along County Road 31 any future residential use would be off-grid, with each lot owner required to install a well and septic system to obtain a building permit (which is standard in this market). Based on the foregoing, legally permissible uses of the subject include rural residential development, agriculture, and recreation.

Economically Feasible Uses

As documented in the Gunnison County Area Profile, the residential market has shown consistent price increases for finished homes and lots over the preceding five-year period; generally more than exceeding the rate of inflation. This market is driven primarily by the strong appeal of a major ski resort in Crested Butte and an abundant supply of public lands available for recreation. While the subject is situated in a more remote area of the county, the preponderance of public land in this area indicates a minimal supply of private land available for development. The availability of public lands also correlates to high demand from recreational users, with most properties appealing to this buyer type consisting of larger rural lots with seasonal accessibility. Therefore, given the subject's direct access to BLM and National Forest lands, and the ability to subdivide without incurring significant land development costs, indicates sellout of up to two, 35.00+-acre residential lots is the most financially feasible use of the underlying land. Although price appreciation has slowed recently in the face of much higher interest rates, due to a lack of available inventory there would be ample demand for the subject's potential lots if placed on the market for sale.

Maximally Productive Use

Based on our analysis of the physically possible, legally permissible, and economically feasible uses of the site, the highest and best use as vacant, before imposition of the Willow Creek Property conservation easement, is sellout of two potential rural residential lots.



The estimation of a real property's Fair Market Value involves a systematic process in which the problem is defined; the work necessary to solve the problem is planned; and the data required are acquired, classified, analyzed and interpreted as an opinion of value. In this process three primary approaches to value are recognized: the cost approach, sales comparison approach, and the income capitalization approach. When land development is imminent or proposed, the subdivision development approach can also be used. When one or more of these approaches are not applicable in the appraisal process, full justification must be presented for their exclusion. An explanation of each approach follows:

Cost Approach

In the cost approach, the appraiser first values of the fee simple interest in the site. The replacement or reproduction cost new of the improvements is then estimated. Next, depreciation from all sources is determined and subtracted from the replacement or reproduction cost new of the improvements to arrive at their present value. The present value of all improvements is added to the market value of the site, resulting in an indicated value by the cost approach.

Sales Comparison Approach

The sales comparison approach involves the comparison of the subject property to similar properties that have recently sold or that are currently offered for sale. The sales prices of these properties are then adjusted to reflect the respective differences of each from the subject to indicate a value range. This value range, as indicated by the adjusted comparable properties, is then used to establish an indicated value for the subject property.

Income Capitalization Approach

The income capitalization approach is a process in which the anticipated future benefits (actual dollar income or amenities) are reduced to a present value figure. The appraiser is primarily concerned with the future benefits resulting from net income and reversionary proceeds. This approach involves estimating potential gross income by comparison with competing properties and estimating expenses (derived from historical and/or market experience) to determine a projected net income stream. The income stream is then capitalized into an indication of value by using capitalization rates extracted from competitive properties in the market or by using other techniques when applicable. Alternatively, the income stream as well as the reversion of the property is converted into value by use of a discounted cash flow (DCF) analysis. If both techniques are used, the resultant value indications must be reconciled.

Subdivision Development Approach

The subdivision development approach, sometimes referred to as the discounted sellout or land residual method), is used to develop an “As Is” Fair Market Value of the subject under its present or proposed development status. This approach is widely used by developers to determine how much can be paid for land based upon a proposed development scenario and is also used to test the indicated market value of a proposed development via the cost approach. This technique actually employs all three approaches to value. The cost approach is used to deduct development costs to arrive at a value by the land residual method. The sales comparison approach is used to estimate individual retail values of the proposed lots and/or commercial pad sites. When applicable, this method, along with data compiled in the *Gunnison County Area Profile* section, is also used to support absorption projections since competitive projects are examined and compared with the subject. Finally, the income capitalization approach uses a yield capitalization technique to support a present value of the projected net proceeds.

Valuation Approaches Utilized

Given that the subject CFOP represents a site with immediate development potential that could be subdivided into saleable single-family lots, only the sales comparison approach will be considered in estimating the subject’s “As Is” Fair Market Value on a Before basis. Because the subject is currently vacant, the cost approach has not been utilized. Also, given that residential and agricultural properties in this market are not usually purchased based on potential revenue, the income capitalization approach has been excluded from consideration. Finally, the subdivision development approach has also been appropriately excluded from consideration, as the small number of potential lots indicates a discounted cash flow technique is not relevant for this assignment.

Reconciliation

The final analytical step in the valuation process is reconciliation of the value indications obtained from the different approaches to value. The appraiser must consider the relative dependability and applicability of each approach as dictated by the individual characteristics of the subject. The final opinion of value reflects the results of such deliberation.



The sales comparison approach, also termed the market approach, involves the comparison of the subject to similar properties which have already sold, or which are currently offered for sale, with consideration given to their respective differences from the subject. This process tends to form a pattern of indicators from which the appraiser can estimate the value of the subject property. The principle of substitution is an integral part of this approach since a purchaser will typically not pay more for a property than would be required to purchase an equally desirable substitute property.

The following procedures are used to apply the sales comparison approach.

1. Research the competitive market for information on properties that are similar to the property being appraised and that have been sold recently, or were listed for sale, or are under contract. Information on agreements of sale, options, listings, and bona fide offers may also be collected. The characteristics of the properties such as property type, date of sale, size, physical condition, location, and land use constraints should be considered. The goal is to find a set of comparable sales or other evidence such as property listings or contracts as similar as possible to the subject property to ensure they reflect the actions of similar buyers. Market analysis and highest and best use analysis set the stage for the selection of appropriate comparable sales.
2. Verify the information by confirming that the data obtained is factually accurate and that the transactions reflect arm's-length market considerations. Verification should elicit additional information about the property such as buyer and seller motivations, economic characteristics (if the property is income-producing), value component allocations, and other significant factors as well as information about the market to ensure that comparisons are credible.
3. Select the most relevant units of comparison used by participants in the market (e.g., price per acre, price per square foot, price per front foot, price per dwelling unit, price per lot or proposed lot, price per room) and develop a comparative analysis for each unit. The goal is to define and identify a unit of comparison that explains or mirrors market behavior.
4. Look for differences between the comparables being considered and the subject property using all appropriate elements of comparison. Then adjust the price of each comparable, reflecting how it differs to equate it to the subject property or eliminate that property as a comparable. This step typically involves using the most similar sale properties and then adjusting for any remaining differences. If a transaction does not reflect the actions of a buyer who would also be attracted to the subject property, an appraiser should be concerned about comparability and the wisdom of relying on that comparable as a basis of comparison.
5. Reconcile the various value indications produced from the analysis of comparables into a value indication from the sales comparison approach. A value can be expressed as a single point estimate, as a range of values, or in terms of a relationship (e.g., more or less than a given amount)."²

Each of the preceding steps will be further explained in detail as they are utilized.

² Appraisal Institute, *The Appraisal of Real Estate*, 15th Edition, (Chicago: Appraisal Institute, 2020), 355.

Site Valuation by Sales Comparison

There are several different methods of land valuation; however, when sufficient data are available, the sales comparison approach is generally regarded as the best method. This method of estimating market value was previously outlined in the Appraisal Process section of this report. All available data sources were researched to identify sales of sites which are similar to the subject. Market participants were also surveyed regarding available offerings and general market activity.

The unencumbered CFOP in the Before scenario consists of 100.00± acres of vacant dry sagebrush shrubland situated along the east and west sides of County Road 31, roughly nine miles southwest of Gunnison in the southwest portion of Gunnison County. This seasonally accessible property has historically been used for livestock grazing and consists almost entirely of montane sagebrush shrubland, with roughly 4.5± acres consisting of willow riparian vegetation along roughly one-half mile of the intermittent Willow Creek. This ranch has gentle to moderately sloping topography at elevations ranging from 7,540 to 7,640 feet, and no adjudicated water rights to irrigate any of the land. Also, while the subject CFOP is surrounded by public Bureau of Land Management land and is adjacent to the Curecanti National Recreation Area, most of the land is open, has minimal tree cover and lacks any major mountain views. Therefore, the subject's attributes for ongoing agricultural and recreational uses are considered below average.

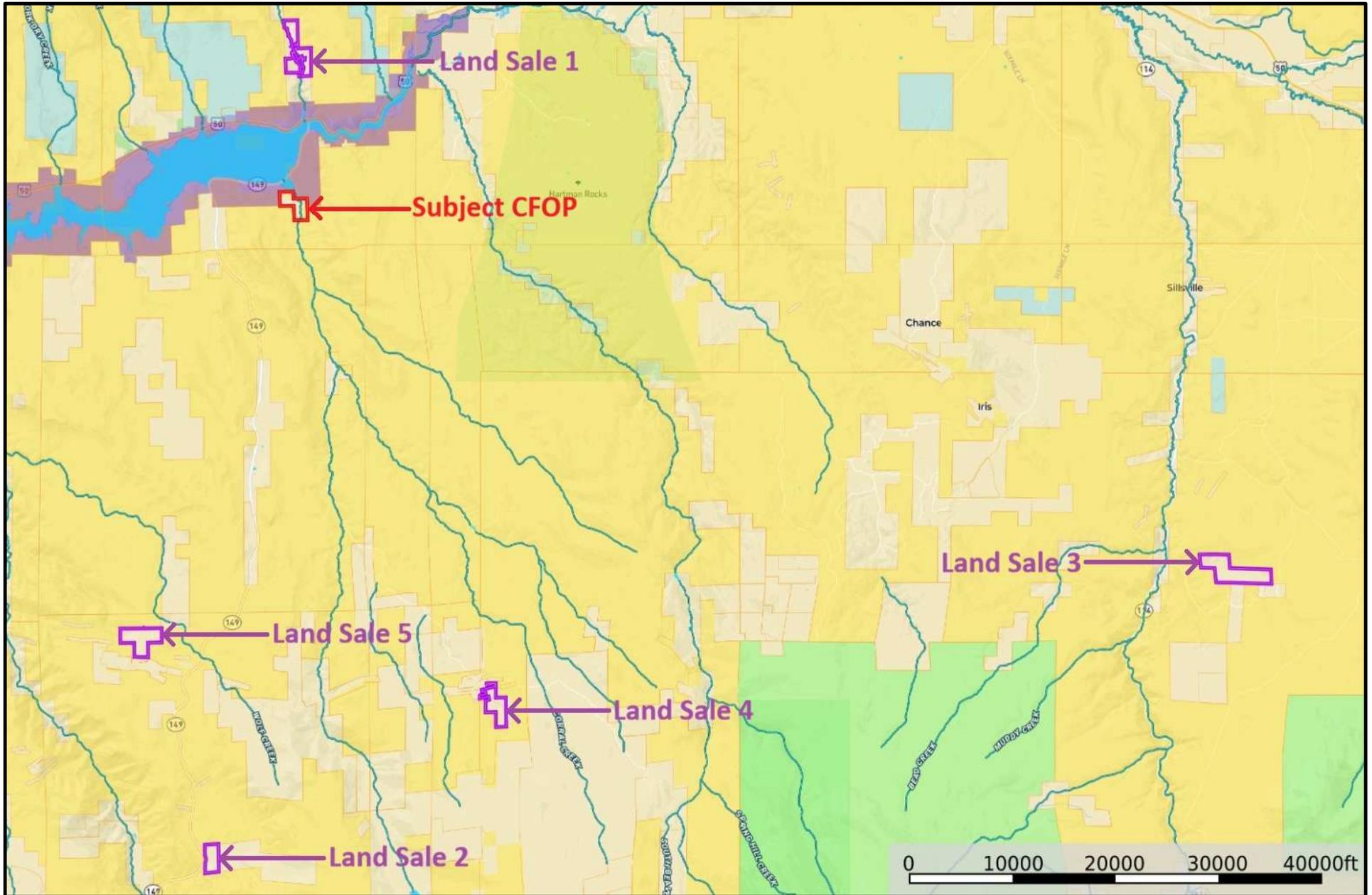
We have analyzed the entire southwest Gunnison County area for sales and listings of similar seasonally accessible rural agricultural ranches, which includes properties to the southeast in Saguache County. Again, this is a very rural part of the county, with privately-owned property along county and BLM roads generally being surrounded by public lands. Given a more limited inventory of private land in this area, this portion of the market is generally less active. However, we were able to analyze a sufficient number of relatively recent sales to compare to the subject. When necessary, prices were adjusted for the contributory value of any existing improvements.

The following two pages include a summary and location map of the unencumbered land sales considered the most comparable to the subject CFOP. While they do not represent all of the sales that have occurred, they provide a more than sufficient database from which a reliable analysis of the subject can be made. Detailed abstracts of the comparable sales in the Before scenario are included in the *Addenda*.

Willow Creek Property
Summary of Comparable Unencumbered Land Sales - Before Scenario

Property Name - Location - APN	Date of Sale	Grantor - Grantee - Document No.	Actual and Adjusted Sale Prices	Water Rights	Percent Irrigated	Zoning	Utilities	Access	Total Land Area/Acres	Price/Acre	Comments
Steuben Creek Ranch 1778 County Road 20 Gunnison County 3785-150-00-024	5/13/2025	Karl A. Morris and Eric Kerr Glenn Rutkowski 701945 and 701946	\$920,000 \$560,000	Good 6.87 CFS	32.6%	None	Electric Well - Septic	Year-Round	156.47	\$3,579	Narrow ranch that is split by CR 20, with most of the land along the east side of the road consisting of steeply sloping sagebrush hillside land. Stueben Creek flows through the central portion of the site, sub-irrigating roughly 51 acres. A modest, 1,788 SF house with no garage contributed to value.
Rural Potato Farm 20094 State Highway 149 Powderhorn, Gunnison County 4053-000-00-046	1/16/2025	Tyler J. and Hannah C. Hanson Tuba T. and Justin J. Barenberg 700368 and 700369	\$788,000 \$288,000	Minimal 0.10 CFS	6.6%	None	Electric Well - Septic	Year-Round	75.52	\$3,814	Small rural ranch situated along the east side of SH 149 in Powderhorn. Modest improvements include a 2,508 SF log home built in 1978, 4,000 SF barn and two sheds. Minimal water rights allows only five acres of gardens to be irrigated. Borders BLM land along three boundaries.
Hillside Haven Assemblage 9999 State Highway 114 Saguache County 3971-334-00-018 3971-334-00-022 3971-334-00-023 3971-343-00-024 3971-343-00-025	7/11/2024 11/22/2024	Barbara A. Marlow and James F. and Bette A. Benson Carl I. Oskarsson 401959 and 401960 402784 and 402785	\$1,269,000 \$709,000	Minimal 0.85 CFS	6.3%	A Agricultural	Electric Well - Septic	Seasonal	240.00	\$2,954	Five parcel assemblage situated east of State Highway 114, having seasonal access from a BLM road that connects with County Road UU13. Improved with a 1,736 SF residence, detached garage and Quonset building with an estimated contributory value of \$560,000. High elevation, very private property with excellent recreational attributes and nearly completely surrounded by BLM land.
Off-Grid Cabin 11395 County Road 2-TT Vulcan Area, Saguache County 4057-082-00-008 4057-083-00-008	8/28/2023	Eugene and Joan DuBois Joint Revocable Trust Andrew Weaver 399875	\$775,000 \$340,000	Minimal 0.02 CFS	0.0%	A Agricultural	Spring Generator	Seasonal	151.59 Survey	\$2,243	Seasonal access recreational property improved with a good quality, two-story cabin with basement that is served by piped spring water, marine batteries and gasoline generator. Cabin was assigned a value of \$200/SF or \$435,000.
Wildcat Ranch 23825 State Highway 149 Powderhorn, Gunnison County 4053-000-00-011	6/12/2023	James O. and Jacqueline S. Cochran RFF Partners, LP 691089 and 691090	\$950,000 \$410,000	Yes 2.00 CFS	9.0%	None	Electric Well - Septic	Seasonal	165.86	\$2,472	Seasonal access ranch improved with a 2,160 SF residence and 720 SF garage built 1995, plus two barns and support buildings. Owner required to plow gravel County Road 149L, with entrance to property situated roughly 1.0 mile northwest of State Highway 149. Nearly surrounded by BLM lands.
Willow Creek Property TBD County Road 31 Gunnison, Gunnison County 3979-000-00-055	10/31/2025	Gunnison Legacy Fund	\$380,000	None	0.0%	None	None	Seasonal	100.00	\$3,800	

COMPARABLE LAND SALE MAP – BEFORE SCENARIO



The Adjustment Process

Adjustments are made to the sales prices of the comparables to compensate for differences between each sale and the subject. Due to the differences among the comparables, matched pairs comparison (paired sales analysis) for most adjustments was unreliable. While this type of analysis and adjustment method is considered ideal, it is often not realistic. The degree of complexity and number of unique factors impacting both the subject and the comparables makes a reliable paired-sales analysis difficult for nearly all of the adjustment factors in this analysis.

According to the 15th edition of *The Appraisal of Real Estate*, published in 2020 by the Appraisal Institute, the use of the sales comparison approach in valuation involves the estimation of the degree of similarity or difference between the subject and a comparable by considering various elements of comparison. Adjustments are then made to the sales prices of the comparables to compensate for differences between each comparable and the subject.

These elements of comparison are as follows:

1. Real property rights conveyed
2. Financing terms
3. Conditions of sale
4. Expenditures made immediately after purchase
5. Market conditions
6. Location
7. Physical characteristics
8. Economic characteristics
9. Legal characteristics
10. Non-realty components of value

A general discussion of the adjustments considered for the sales follows:

1. - Real Property Rights Conveyed

Estate

A fee simple interest in the subject site is being valued in the Before scenario, unencumbered by any conservation easements. Each of the Before comparables were sold conveying an unencumbered fee simple interest. Also, none of the properties were subject to any leases, grazing permits or atypical easements that had an impact on the final prices that were paid. Therefore, no adjustments are required for any differences in the estate that was transferred.

Mineral Rights

In addition, the subject and comparables did not include any mineral rights that had a material impact on their final prices, so no adjustment for this factor is required.

Water Rights

However, water rights play a significant role in the prices buyers are willing to pay, especially for continued agricultural use. Discussions with active market participants indicates that the availability of water rights can translate to a doubling in potential unit prices (or more), which is evident by the much higher unit prices paid for irrigated ground in Gunnison County. As mentioned previously, the subject has no adjudicated water rights to irrigate any of its underlying land. While most of the comparable sales also have minimal water rights, varying downward adjustment are made to Land Sales 1 and 5 given that the 2.00 to 6.87 cfs of water rights tied to these properties can be used for irrigation (although in the case of Land Sale 5 a relatively modest 9.0± acres are being irrigated due to topography challenges).

2. - Financing Terms

This category accounts for the impact on value that is produced by favorable financing. Each of the comparables sold on an all cash or cash equivalent basis, with the \$369,000 in seller financing associated with Land Sale 3 considered equal to market terms. Therefore, no adjustments are necessary for this category.

3. - Conditions of Sale

Adjustments included in this category reflect the motivations of the buyer and the seller. During the verification process it was confirmed that none of the sales involved unusual motivations on the part of the buyer or seller, so no conditions of sale adjustments are necessary.

4. - Expenditures After Sale

This category reflects any features or characteristics that would require near-term expenditures after the sale closed. While it is noted that all of the comparables were improved at the time of sale, appropriate deductions were made for their respective contributory values. Also, while these improvements varied in age, quality and overall condition, none of the sale prices were impacted by any material expenditures required immediately after closing. Therefore, no adjustments for this factor have been made.

5. - Market Conditions (Time)

Market condition adjustments account for value changes in properties between the date of the comparable sale and the effective date of value. The southwest portion of Gunnison County is somewhat remote, with a significant amount of public land indicating a higher percentage of seasonal properties. While demand for these properties comes primarily from recreational users, properties along paved highways provide a more affordable option for residents in the agricultural industry, those who commute to work in Gunnison, or those wanting to live in the area full-time. Given rising prices and a diminishing supply of available properties in the post-pandemic period, the three oldest sales require an upward adjustment for changing market conditions.

Included on the following page are details on several sales and re-sales that have occurred in the broader Gunnison, Montrose and Saguache County area; generally reflecting a broad cross-section of rural land and ranches. Where necessary, the sale prices were adjusted for any unusual motivations on the part of the buyer or seller. Also, the sale of smaller residential lots and single-family residences were specifically excluded from consideration, as they reflect different buyer profiles than the subject. The lowest monthly price appreciation rates generally reflect much more dated prior sales, with appreciation being much lower during the 2012 through 2019 period (generally being consistent with historically low rates of overall inflation). More significant price appreciation occurred during the post-pandemic lock-down period starting in 2020, with above-average appreciation occurring through mid-2022. After this period a much higher interest rate environment emerged, which has resulted in a slowdown in sales over the past few years. Also, our discussions with active market participants indicates a slowdown in appreciation, with much longer marketing periods being noted for those properties placed on the market at exceedingly high asking prices.

Annual price appreciation from the sales and re-sales reflects a very broad range from 2.7% to 25.1% (averaging 7.6%), with much more significant price appreciation noted during the mid-2020 through mid-2022 period. Based on sale dates between mid-2023 to mid-2024, an annual appreciation rate between 5.0% and 6.0% is considered reasonable. Annual appreciation at the low-end of this range has been concluded, with their remote locations correlating to longer marketing periods and a more limited pool of potential buyers. Another factor related to recent price appreciation is buyer’s willingness to place higher contributory values on improvements, which is due to the significant increase in construction costs. Therefore, a higher percentage of price increases are being allocated to the improvements, indicating lower appreciation in the underlying land.

Based on an average annual appreciation rate of roughly 5.0%, the following market condition adjusted prices are indicated for the older sales analyzed:

Market Condition Adjustments - Before Basis								
Sale Number	Cond. of Sale Adjusted Price	Sale Date	Months to Value Date	Monthly % Adjustment	Annual % Adjustment	Time Adjusted Price	Total % Adjustment	Total Time Adjustment
1	\$920,000	5/13/2025	5.6	0.00%	0.0%	\$920,000	0.0%	\$0
2	\$788,000	1/16/2025	9.5	0.00%	0.0%	\$788,000	0.0%	\$0
3	\$1,269,000	7/11/2024	15.7	0.42%	5.0%	\$1,352,000	6.5%	\$83,000
4	\$775,000	8/28/2023	26.1	0.42%	5.0%	\$860,000	11.0%	\$85,000
5	\$950,000	6/12/2023	28.7	0.42%	5.0%	\$1,064,000	12.0%	\$114,000

Also, given a slowdown in market activity over the past year, no market condition adjustments are made to the more recent Land Sales 1 and 2.

Gunnison - Montrose - Delta County - Sales and Re-Sales

<u>Property Identification</u>	<u>Location</u>	<u>Total Land Area - Acres</u>	<u>Prior Sale Date</u>	<u>Recent Sale Date</u>	<u>Time Change Months</u>	<u>Time Change Years</u>	<u>Prior Sale Price (1)</u>	<u>Recent Sale Price (1)</u>	<u>Percent Increase</u>	<u>% Change Per Month</u>	<u>Implied % Change Per Year</u>
Rural Residence	Gunnison County	171.19	9/26/2012	8/28/2018	71.1	5.9	\$935,000	\$1,100,000	17.6%	0.2%	3.0%
Big Cimarron River Ranch	Cimarron	410.88	9/13/2017	11/27/2018	14.5	1.2	\$2,500,000	\$2,600,000	4.0%	0.3%	3.3%
Rural In-Holding	Gunnison County	75.86	1/2/2015	12/27/2018	47.8	4.0	\$120,000	\$175,000	45.8%	1.0%	11.5%
Rural Ranch	Cimarron	315.51	5/23/2012	4/10/2019	82.6	6.9	\$544,000	\$650,000	19.5%	0.2%	2.8%
Screamin Elk Ranch	Cimarron	403.60	1/21/2014	8/10/2020	78.7	6.6	\$2,000,000	\$2,500,000	25.0%	0.3%	3.8%
Cochetopa Dome Ranch	Saguache County	1,655.00	10/12/2017	8/25/2020	34.5	2.9	\$2,850,000	\$3,075,000	7.9%	0.2%	2.7%
Five Springs Ranch	Ohio City	160.00	11/25/2014	5/12/2021	77.6	6.5	\$1,025,000	\$1,250,000	22.0%	0.3%	3.4%
Rural In-Holding	Gunnison County	160.13	10/23/2017	5/26/2021	43.1	3.6	\$900,000	\$1,200,000	33.3%	0.8%	9.3%
Unit 67 Ranch	Gunnison County	2,355.71	6/2/2020	12/13/2021	18.4	1.5	\$1,300,000	\$1,800,000	38.5%	2.1%	25.1%
Rural Ranch	Crawford	175.18	2/13/2015	1/14/2022	83.1	6.9	\$290,000	\$360,000	24.1%	0.3%	3.5%
Recreational Ranch	Upper Muddy	319.97	11/3/2015	3/26/2022	76.8	6.4	\$1,750,000	\$2,300,000	31.4%	0.4%	4.9%
Ridge Creek Ranch	Delta County	1,707.42	11/20/2019	4/6/2022	28.5	2.4	\$5,450,000	\$8,090,000	48.4%	1.7%	20.4%
Toimichi Creek Ranch	Gunnison County	346.46	7/23/2015	5/5/2022	81.5	6.8	\$950,000	\$1,265,000	33.2%	0.4%	4.9%
Cochetopa Dome Ranch	Saguache County	1,655.00	8/25/2020	2/6/2024	41.4	3.5	\$3,075,000	\$3,900,000	26.8%	0.6%	7.8%

(1) Adjusted for conditions of sale, if necessary.

6. - Location

Location adjustments are warranted by such factors as transportation visibility and access; market area demographics; proximity of utility lines; proximity to desirable residential areas; and the physical condition of the neighborhood in which each property resides. For recreational and/or rural properties, driving distance to established towns with commercial services, proximity to major attractions (i.e., national parks, ski areas and golf courses), specific road access, and access to public lands are very important.

Macro Location

The subject and all five comparables are situated in remote portions of southwest Gunnison County and Northwest Saguache County, mostly well removed from commercial services in Gunnison. However, the subject and Land Sale 1 is situated close to U.S. Highway 50 on the far east side of the Blue Mesa Reservoir, which provides easy and relatively quick access to Gunnison. The remaining four sales are situated a much greater distance from Gunnison, with Land Sale 4 being situated in a very remote location that is much more difficult to access. Therefore, varying upward adjustments for an inferior macro location are made to these four sales.

Specific Access

Because the subject and Land Sales 3, 4 and 5 have seasonal accessibility from unpaved roads that aren't maintained or plowed during the winter months, they have the same specific access. However, because Land Sales 1 and 2 have superior year-round access along maintained county and state roads, downward adjustments for this superior attribute have been made.

Access to Public Lands

The subject and comparable sales are all located adjacent to a significant amount of public lands, which increases their desirability for recreational purposes. Therefore, no adjustments for this factor are necessary.

7. - Physical Characteristics

For land, physical characteristics having the most impact on value include size, topography, water features and aesthetically pleasing views. In addition, soil content, flood exposure, wetlands, forestation and other site improvements (such as interior roads, installed utility infrastructure and fencing) are included in this category.

Size

The subject and comparable sales are considered similar regarding most physical characteristics, with four of the properties being relatively similar in size from 75.52 to 165.86± acres. The subject has a total land area of 100.00± acres, which falls in the low-end of the comparable sale range. Therefore, an upward adjustment for size has been made to the larger 240.00±-acre Land Sale 3.

Topography - Shape - Appeal

The subject and comparables generally have similar topography and site improvements, so no adjustments for these factors have been made. Also, although each has an irregular shape, none creates any problems for their ongoing residential, agricultural or recreational uses. However, Land Sale 1 is bisected by two county roads and is partially surrounded by several smaller rural residential lots, which limits the amount of usable land and diminishes its overall privacy. Therefore, a very substantial upward adjustment for its inferior utility and appeal have been made to this sale. Also, Land Sale 2 is situated along State Highway 149, with its proximity to additional traffic indicating an upward adjustment for inferior appeal is necessary. Finally, Land Sale 3 is located at the end of a private driveway, with the ranch headquarters being situated in a flatter meadow surrounded by hillside land that creates a very private, aesthetically pleasing environment that is superior to the subject. Therefore, a downward adjustment for appeal has been made to this sale.

Installed Utilities

The subject is a vacant parcel situated in an area with no access to municipal utility services. Although a few of the comparables are also well removed from access to utilities, they all include vertical improvements that are at least served by piped spring water; with four having extended an electric line to serve an existing residence. Therefore, a slight downward adjustment for this superior attribute has been made to all of the sales analyzed.

Natural Features

As indicated previously, the subject consists of open, dry rangeland with minimal tree cover that does not have any major on-site water features. This lack of distinctive natural features is considered similar to most of the comparable sales, with a downward adjustment made to Land Sale 1 for having some frontage along perennial Steuben Creek through the central portion of the property.

Views

The subject has average surrounding views with no direct sightlines of a major mountain peak, which is similar with all of the comparable sales. Therefore, no adjustments for view differences are considered necessary.

8. - Economic Characteristics

The subject and comparables are being analyzed on the basis of land value, with each having similar agricultural assessments and mill rates. Therefore, no adjustment is warranted for this factor.

9. - Legal Characteristics

Legal characteristics adjustments are typically regarded in two ways: flexibility of usage and intensity of usage. The intensity of usage is an important consideration in valuing vacant land, as higher prices are paid for sites that allow more building area (i.e., higher floor area ratios or FAR's). The subject and Land Sales 1, 2 and 5 are not subject to any zoning regulations in Gunnison County, while Land Sales 3 and 4 are zoned A - Agricultural by Saguache County. Because state statute would allow residential development on minimum lot sizes of thirty-five acres on all of these rural ranches, no adjustments for zoning differences need to be made.

10. - Non-Realty Components of Value

Non-realty components of value do not apply in this case, as the subject and comparables do not include any non-realty or personal property components that require any adjustments.

Analysis of Comparable Sales

Adjustments are needed primarily for differences in location, site utility, appeal and installed utilities. The following is a discussion of each comparable and the adjustments considered necessary in relation to the subject.

Land Sale 1 - The Steuben Creek Ranch consists of a 156.47±-acre, narrow assemblage mostly surrounded by BLM land that is situated roughly one mile north of State Highway 50 near the Blue Mesa Reservoir. This ranch is improved with a 1,788 square foot residence completed in 2007 that contributed an estimated \$360,000 in value, with a much older modular residence with a basement garage considered in salvage condition by the listing broker. This property was bought by a recreational buyer from Maryland in mid-2025 for \$920,000, which equates to an allocated value to the underlying land of \$560,000 or \$3,579 per acre.

This property includes good water rights totaling 6.87 cfs from the Sun Creek Ditch that allows 51.00± acres or 32.6% of the central portion of the property to be irrigated for hay production. Also, Steuben Creek flows through this portion of the ranch for roughly 850 feet or 0.16±-mile, which contributes some flood irrigation during the spring months and enhances its recreational appeal. The topography of the central hay meadow is flat at an elevation of 7,720 feet, with the east and west portions of the property consisting of moderate to steeply sloping sagebrush hillside land at elevations rising from 7,760 to 8,080 feet.

Although this ranch consists of one tax parcel it is split by County Road 20, with most of the land along the east side of this road consisting of hillside land that includes two roughly one-acre private lots with residences. Also, the southwest portion of the property is separated by County Road 20A, with a handful of smaller residential lots situated between the central and west portions of the property. Therefore, the configuration of this ranch is very segmented, with a significant amount of unusable land greatly reducing its overall utility and several small lots reducing its privacy. Consequently, while varying downward adjustments are made for superior water rights, year-round access, installed utilities and Steuben Creek frontage, these are more than offset by a very substantial upward adjustment for its inferior utility and appeal.

Overall, a slight upward adjustment to a unit price of \$3,579/Acre is indicated.

Land Sale 2 - This represents the acquisition of a 75.52±-acre former potato farm situated along the east side of State Highway 149, roughly nineteen miles southwest of Gunnison. This property is improved with a 2,188 square foot log residence with attached garage completed in 1978, a 4,000 square foot barn and equipment shop that were in below-average condition, having an estimated contributory value of \$500,000 according to the listing broker. This property was acquired for \$788,000 at the beginning of 2025 by a local couple for continued agricultural use, indicating an underlying land value of \$288,000 or \$3,814 per acre.

This property has minimal water rights from a seasonal spring that allows only five acres of garden area to be irrigated, which was previously used to grow potatoes. The topography of the northern two-thirds of this property is gently sloping at elevations ranging from 8,280 to 8,360 feet, with the southern third consisting of moderately sloping hillside land at elevations ranging from 8,400 to 8,600 feet. Also, the entire north, west and south boundaries have direct access to BLM land, which enhances its recreational appeal. Despite being situated well removed from support services in Gunnison, it is situated just north of the desirable Powderhorn area. Therefore, only a slight upward adjustment is made for an inferior macro location, which is offset by a slight downward adjustment for the installed utilities that serve the existing improvements. In addition, a downward adjustment for superior year-round access is offset by an upward adjustment for inferior appeal due to its more limited privacy along a state highway. **Overall, the required adjustments are offsetting, indicating that a \$3,814 per acre unit price is an excellent benchmark for valuing the subject on a Before basis.**

Land Sale 3 - The Hillside Haven Assemblage consists of five contiguous parcels with a combined land area of 240.00± acres, being situated roughly three-quarters of a mile east of State Highway 114 in a rural portion of Saguache County well southeast of Gunnison. Because the owner is required to maintain and plow a private dirt driveway across BLM land for roughly one-quarter of a mile back to County Road UU13, access is considered seasonal. This ranch is improved with a 1,736 square foot manufactured house, 1,200 square foot detached garage and 1,500 square foot Quonset building completed in 1999. The listing broker reported that the house and Quonset building were "in great shape," having an estimated contributory value of \$560,000. This property was bought by a recreational buyer from Salida in two separate transactions in mid-to-late-2024 for a combined price of \$1,260,000, which equates to an allocated value to the land of \$709,000 or \$2,954 per acre.

This property includes minimal water rights totaling 0.85 cfs from four decreed springs, with only fifteen acres or 6.3% of the site currently being irrigated for hay production. The elevation of this property ranges from 8,400 to 8,760 feet, consisting of rolling meadows and moderately sloping hills that are surrounded by public BLM land along its entire north, east and west boundaries. While in many respects this property shares similar physical attributes as the subject, its position at the end of a private driveway nearly surrounded by BLM land, coupled with the ranch headquarters situated in a flatter meadow surrounded by hillside land, creates a very private, aesthetically pleasing environment that is superior to the subject. Therefore, a downward adjustment for superior appeal has been made, which is generally offset by an upward adjustment for its larger size. Also, given that an electric line has been extended to the ranch headquarters, a slight downward adjustment for this superior attribute has been made. Finally, given a macro location well removed from support services in Gunnison, a substantial upward adjustment for this factor has been made. **Overall, an upward adjustment to a time adjusted unit price of \$3,330 per acre is indicated.**

Land Sale 4 - This represents the acquisition of a 151.59± acre recreational ranch situated roughly 8.8± miles southeast of the subject along Willow Creek Road, just over the Saguache County line. This property was on and off the market for a little over two years starting in mid-2021, selling to an out-of-state buyer from Georgia on in late-2023 for \$775,000. At the time of sale this property was improved with a good quality, two-story, off-grid cabin with 2,176 square feet of finished space that was completed in 2014. The listing broker confirmed a contributory value of \$200 per square foot or roughly \$435,000 for this improvement, indicating an allocated value to the land of \$340,000 or \$2,243 per acre.

This property is considered very similar to the subject in most regards, being a seasonally accessible, remote recreational hunting property with minimal to no water rights. Also, given a size under the 160.00-acre limit to qualify for landowner hunting tags, this property has a similar overall appeal (with the listing broker reporting that the buyer was trying to acquire an adjacent mining claim property to increase the size of this ranch). Although a slight downward adjustment is made for the piped spring and generator that serves the existing cabin, this is more than offset by a very substantial upward adjustment for an inferior location in a remote area of Saguache County that is difficult to access. **Overall, a substantial upward adjustment to a time adjusted unit price of \$2,804 per acre is indicated.**

Land Sale 5 - The Wildcat Ranch consists of 165.86± acres that is nearly surrounded by BLM land, being situated roughly one mile northwest of State Highway 149 and sixteen miles southwest of Gunnison. Because the owner is required to maintain and plow County Road 149L from the main entrance back to the highway, access is considered seasonal. This ranch is improved with a 2,160 square foot house and 720 garage completed in 1995, two barns and agricultural support buildings. It was bought by an out-of-state recreational buyer in mid-2023 for \$950,000, with an estimated contributory value of \$540,000 for the improvements correlating to a land-only price of \$410,000 or \$2,472 per acre. While this property includes 2.00 cfs of water rights from the Spencer Ditch, due primarily to variable and sometimes steeply sloping topography, only 9.0% of the site is irrigated for hay production. However, slight downward adjustments for superior water rights and installed utilities serving the existing residence are considered necessary, which are more than offset by a substantial upward adjustment for an inferior macro location well removed from Gunnison. **Overall, an upward adjustment to a \$3,159 per acre time adjusted unit price is indicated.**

The necessary adjustments discussed previously are summarized in the following table.

Comparable Land Sale Adjustment Grid - Before Scenario

Comparable Land Sale Adjustment Grid - Before Scenario						
Description	Subject	Land Sale 1	Land Sale 2	Land Sale 3	Land Sale 4	Land Sale 5
Property Name	Willow Creek Property	Steuben Creek Ranch	Rural Potato Farm	Hillside Haven Assem.	Off-Grid Cabin	Wildcat Ranch
Address	TBD County Road 31	1778 County Road 20	20094 State Highway 149	9999 State Highway 114	11395 County Road 2-TT	23825 State Highway 149
Jurisdiction	Gunnison County	Gunnison County	Gunnison County	Saguache County	Saguache County	Gunnison County
Access	CR 31 - Seasonal	CR 20 - Year-Round	SH 149 - Year-Round	BLM Road - Seasonal	CR 2-TT - Seasonal	BLM 3146 - Seasonal
Utilities	None	Electric - Well/Septic	Electric - Well/Septic	Electric - Well/Septic	Spring - Generator	Electric - Well/Septic
Water Rights	None	Good	Minimal	Minimal	Minimal	Average
Percent Irrigated	0.0%	32.6%	6.6%	6.3%	0.0%	9.0%
Date of Sale		5/13/2025	1/16/2025	7/11/2024	8/28/2023	6/12/2023
Sale Price		\$920,000	\$788,000	\$1,269,000	\$775,000	\$950,000
Existing Improvements	As If Vacant	House	House - AG Support	House - Quonset	Off-Grid Cabin	House - AG Support
Contributory Value of Imp.		(\$360,000)	(\$500,000)	(\$560,000)	(\$435,000)	(\$540,000)
Conditions of Sale		\$0	\$0	\$0	\$0	\$0
Expenditures After Sale		\$0	\$0	\$0	\$0	\$0
Market Conditions		\$0	\$0	\$83,000	\$85,000	\$114,000
Adjusted Sale Price - Land		\$560,000	\$288,000	\$792,000	\$425,000	\$524,000
Total Land Area - Acres	100.00	156.47	75.52	240.00	151.59	165.86
Adjusted Land Price/Acre		\$3,579	\$3,814	\$3,300	\$2,804	\$3,159
Property Rights	Surface Rights	---	---	---	---	---
Water Rights - % Irrigated		Downward	---	---	---	Slight Downward
Macro Location		---	Slight Upward	Substantial Upward	Very Substan. Upward	Substantial Upward
Specific Access		Downward	Downward	---	---	---
Access to Public Lands		---	---	---	---	---
Property Size		---	---	Upward	---	---
Site Utility - Appeal		Very Substan. Upward	Upward	Downward	---	---
Installed Utilities		Slight Downward	Slight Downward	Slight Downward	Slight Downward	Slight Downward
Natural - Water Features		Downward	---	---	---	---
Surrounding Views		---	---	---	---	---
Economic Characteristics		---	---	---	---	---
Zoning - Legal Land Uses		---	---	---	---	---
Non-Realty Items of Value		---	---	---	---	---
Overall Adjustment		Slight Upward	None	Upward	Substantial Upward	Upward

Fair Market Value Conclusion - Before Scenario

The comparable sales indicate a narrow time adjusted unit price range from approximately \$2,800 to \$3,800/Acre, with mostly offsetting adjustments being indicated for the most recent Land Sales 1 and 2. In general the comparable sales are very similar to the subject, with most being seasonally accessible properties with minimal water rights and direct access to vast amounts of public BLM land. However, slightly less reliance is placed on Land Sales 4 and 5 due to their accessibility being more distant from nearby state highways and supporting services in Gunnison. Therefore, slightly more reliance is placed on Land Sales 1, 2 and 3 (at time adjusted unit prices ranging from roughly \$3,300 to \$3,800/Acre), which required lower overall net adjustments. Based on a smaller than average size and a seasonal location that is proximate to State Highway 149, a unit price at the high-end of the comparable sale range or from \$3,500 to \$4,000 per acre is considered reasonable for the subject on a Before basis.

Willow Creek Property		
Fair Market Value - Before Scenario		
	<u>Low</u>	<u>High</u>
Price Per Acre	\$3,500	\$4,000
Site Size - Acres	100.00	
Indicated Value Range	\$350,000	\$400,000
Concluded Fair Market Value	\$380,000	
Value Per Acre	\$3,800	



In estimating the market value of the subject under the Before scenario (prior to the placement of the Willow Creek Property conservation easement), only the sales comparison approach was utilized. The cost, subdivision development and income capitalization approaches were not applicable to this assignment.

The indicated market value from our selected valuation approaches is summarized in the following table.

Willow Creek Property Summary of Fair Market Value Conclusions Before Scenario - October 31, 2025	
Valuation Approach	Indicated Value
Cost Approach	Not Applicable
Sales Comparison Approach	\$380,000
Income Capitalization Approach	Not Applicable
Subdivision Development Approach	Not Applicable
Fair Market Value - Before Scenario	\$380,000

The following is a brief discussion of the methodologies used to arrive at each value indication.

Cost Approach

As a vacant tract of land the cost approach is not applicable.

Sales Comparison Approach

The sales comparison approach involves the comparison of the subject to similar properties that have recently sold or that are currently offered for sale. The sales prices of these properties are then adjusted to reflect the respective differences of each from the subject to indicate a value range. When sufficient comparable sales are available for analysis, this approach is considered the best method for estimating the value of vacant land. The subject’s Gunnison County market is relatively active, with a couple of agricultural, ranch and rural residential land sales having occurred recently. Given that we were able to analyze a sufficient number of comparable land sales, the most reliance is placed on the sales comparison approach in valuing the subject land on a Before basis.

Income Capitalization Approach

This approach is not applicable since ranches and rural residential lots have limited to no rental potential and do not transact based upon projected rental income.

Subdivision Development Approach

The subdivision development approach was not utilized in estimating the subject’s value on a Before basis, as a smaller than average size indicates near-term development potential for only two, 35+-acre residential lots. Therefore, a valuation approach that utilizes a discounted cash flow process is not relevant to this assignment.

Value Conclusion - Before Scenario

Overall, the sales comparison approach has been given all the weight, being the only applicable approach given that the subject CFOP is vacant land. Based upon the data, analyses and reasoning presented previously in this report, our opinion of the “As Is” Fair Market Value of the subject on a Before basis, as of October 31, 2025, is as follows:

Willow Creek Property Fair Market Value Conclusion - Before Scenario					
Description	Acres	Status	Date of Value	Interest	"As Is" Fair Market Value
"Before" Conservation Easement Fair Market Value	100.00	Improved	10/31/2025	Unencumbered Surface Rights	\$380,000

Valuation - After the Conservation Easement



In the previous *Zoning Analysis* section it was concluded that the most probable residential density of the 100.00± acre subject CFOP is two rural residential lots with a minimum size of 35.00± acres. This section will examine the Deed of Conservation Easement that encumbers the entire property, which places substantial development and use restrictions on this property. This section was prepared based on a review of the final version of the conservation easement that was placed on October 31, 2025, a copy of which is included in the *Addenda*.

The Deed of Conservation Easement was prepared on behalf of ownership by Colorado Open Lands (COL). The following reserved rights and major restrictions of the landowner are summarized as follows:

Reserved Rights - Permitted Uses

- The conservation easement is intended to protect livestock grazing, and provide habitat for threatened, endangered, or at-risk species.
- No building envelopes have been designated, with a maximum of only two agricultural support structures such as barns, pole barns, sheds, greenhouses, season extenders/hoop houses and free-standing garages with a maximum footprint of 300 square feet and a cumulative footprint of 600 square feet allowed to be constructed anywhere on the property.
- Unenclosed improvements having no footprint, such as corrals, stock tanks, troughs or sprinklers are permitted anywhere on the property.
- Trails, which are defined as any path less than three (3) feet wide constructed or established for human use but shall not include trails established by wildlife or livestock. New trails may be constructed, and existing trails may be modified or extended only with Grantee's approval.
- Existing fences may be maintained, repaired and replaced, and new fences may be built anywhere on the property if they are consistent with the conservation purposes of this easement.
- Existing energy generation or transmission infrastructure and other utility improvements, including but not limited to: (1) natural gas distribution pipelines, electric power poles, transformers, and lines, (2) telephone and communications towers, poles and lines, (3) septic systems, (4) domestic water storage and delivery systems and (5) energy generation and storage systems such as wind, solar, geothermal and hydroelectric may be repaired or replaced with an improvement of similar size and type at their current locations on the property.
- The maintenance, repair or replacement of existing non-domestic water improvements such as ponds, reservoirs, stock tanks, center pivot sprinklers, irrigation ditches, pipes, headgates, flumes, pumps and wells is permitted. The construction of new or enlargement of existing non-domestic water improvements, excluding ponds and reservoirs, is permitted provided that such activity is consistent with the conservation purposes of this easement.

- Low-impact recreational uses such as wildlife watching, hiking, cross-country skiing, horseback riding, hunting and fishing are permitted on the property.

Restrictions - Prohibited Uses

- A perpetual conservation easement was placed on the entire 100.00± acre Willow Creek Property. The division, subdivision, or de facto subdivision of the property into two or more parcels of land is prohibited. Therefore, the property shall forever be owned or conveyed as a single parcel, which includes any mineral and water rights.
- Any residential improvements, which are defined as covered structures containing habitable space, including houses, cabins, guest houses, mobile homes, tiny homes and any space attached to a house, cabin or guest house such as a garage, and any other structures intended for full or part-time human habitation, are prohibited on the property. Therefore, **all residential development rights have been extinguished on two potential 35.00± acre lots, indicating a 100.0% reduction in density.**
- The mining, extraction, exploration, development or removal of minerals defined as soil, sand, gravel, rock, stone, decorative stone, gold and other rare earth elements, oil, natural gas, coalbed methane, hydrocarbon, fossil fuels or any other mineral substance, from on, under or in the property is prohibited.
- Any alteration of the surface of the land, including without limitation, the movement, or removal of soil, sand, gravel, rock, peat, sod, artifacts, animal bone and remains, or paleontological (fossil) resources, is prohibited, unless such alteration is incidental to permitted acts on and uses of the property, such as construction of permitted improvements, and is consistent with the purpose of this easement.
- The conversion of relatively natural habitat such as grasslands, shrublands, forests or riparian areas for cultivation or production of crops, alfalfa, hay or forest products is prohibited, unless it is consistent with the purpose of this easement.
- Industrial or commercial uses of the property are prohibited, except for any ranching and agricultural uses that were conducted at the time this easement was recorded, and recreational guiding and outfitting uses that are consistent with the purposes of this easement.
- The establishment or maintenance of a feedlot is prohibited.
- Off road courses for snowmobiles, all-terrain vehicles, motorcycles, bicycles or any motorized or non-motorized vehicles are prohibited.
- Sod farms, golf courses, airstrips and helicopter pads are prohibited.

Conservation Purposes

Section 170(h)(4) of the Internal Revenue Code (IRC) defines "conservation purpose" as one of the following:

- The preservation of land areas for outdoor recreation by, or the education of, the general public.
- The protection of a relatively natural habitat of fish, wildlife, or plants, or similar ecosystem.
- The preservation of open space (including farmland and forest land) where such preservation is for the scenic enjoyment of the general public or pursuant to a clearly delineated Federal, State, or local governmental conservation policy, and will yield a significant public benefit.
- The preservation of an historically important land area or a certified historic structure.

The easement must be created by deed and be exclusively for conservation purposes. Donations of conservation easements may meet more than one conservation purpose. The most significant conservation purposes associated with the subject are summarized as follows:

- The property contains montane sagebrush shrubland, native montane grasses, and shrubby willow riparian areas along roughly one-half mile of Willow Creek. These habitats provide forage, cover, breeding grounds and migration corridors for a variety of wildlife, including species considered rare, threatened or of special concern.
- The property lies in occupied critical habitat, overall range, a major production area, winter range and severe winter range for Gunnison Sage-grouse, a sagebrush obligate species listed as threatened under the U.S. Threatened and Endangered Species Act. The property is also included within a Priority Area of the Natural Resources Conservation Service Working Lands for Wildlife Sage Grouse Initiative, and the Gunnison Basin Potential Conservation Area (PCA) designated by the Colorado Natural Heritage Program to identify lands that support one or a suite of rare or significant habitat features or species; in this case, the Gunnison Sage-grouse.
- The property encompasses overall range for American peregrine falcon, and winter range for bald eagle and ferruginous hawk, all Colorado species of Concern.
- The property also lies within the overall ranges of big game species important to the biodiversity of the region, including black bear, elk, mountain lion, mule deer and pronghorn. Severe winter range and winter concentration area for elk; summer range, winter range, severe winter range and winter concentration area for mule deer; and winter range and severe winter range for pronghorn.
- The property qualifies as open space because it is being preserved for the scenic enjoyment of the general public, and protects agricultural land pursuant to clearly delineated state and local governmental conservation policies that will yield a significant public benefit.

- The property adds to the scenic character of the local rural landscape in which it lies, contains a harmonious variety of shapes and textures, and provides a degree of openness, contrast and variety to the overall landscape. The scenic terrain of the property is clearly visible to members of the general public driving along U.S. Highway 50, State Highway 149, County Road 31 and from adjacent and nearby public lands managed by the National Park Service and Bureau of Land Management. These roads and lands are open to and actively utilized by residents of Gunnison County and the State of Colorado. Preservation of the property will continue to provide an opportunity for the general public to appreciate the unobstructed scenic views it provides of an open and undeveloped landscape.
- The property is currently used for agricultural purposes including livestock grazing. This use is compatible with other land use in the vicinity, as adjacent properties are also used for agricultural production. The provisions of this Deed ensure that the property will be available for continued agricultural production.
- There is a foreseeable trend of residential development in the vicinity of the property in the near future. There is a strong likelihood that development of the property would lead to or contribute to degradation of the scenic and natural character of the area, and would adversely impact adjacent and nearby National Park Service and Bureau of Land Management lands. Preservation of the property will continue to provide an opportunity for the general public to appreciate its scenic values, and is important for preserving regional resources that attract tourism to the area.

Based on the preceding, we conclude that the subject possesses numerous conservation purposes that are worthy of protection.

Qualified Real Property Interest

IRC Section 170(h)(1) states that a qualified conservation contribution is a contribution of a qualified real property interest to a qualified organization exclusively for conservation purposes. A qualified real property interest in IRC Section 170(h)(2) means any of the following interests in real property:

- The entire interest of the donor other than a qualified mineral interest.
- A remainder interest.
- A restriction granted in perpetuity on the use which may be made of the real property, which includes an easement or other interest in real property that under state law has attributes similar to an easement (e.g., a restrictive covenant or equitable servitude).

Given that the conservation easement places clear restrictions on the use of the entire 100.00± acre Willow Creek Property, it is considered a qualified real property interest.

Qualified Organization

The recipient of a deductible conservation easement donation must be a qualified organization as defined in IRC Section 170(h)(3), which includes the following organizations:

- The Federal government, a United States possession, the District of Columbia, a state government, or any political subdivision of a state or United States possession.
- A corporation, trust, or community chest, fund or foundation which normally receives a substantial part of its support from a governmental unit or from direct or indirect contributions from the general public.
- A tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code that meets the requirements as a public charity under Section 509(a)(2) or as a supporting organization under Section 509(a)(3), and is controlled by one of the organizations described above.

Colorado Open Lands (COL) is a "qualified organization," as defined in I.R.C. § 170(h)(3) and Treasury Regulation § 1.170A-14(c) and is a charitable organization as required under C.R.S. § 38-30.5-104(2), is certified to hold conservation easements for which a state tax credit is claimed by the State of Colorado's Division of Conservation as outlined in C.R.S. § 12-15-104 and in 4 CCR 752-1, Rule 2.1) for the current year. COL is also accredited by the Land Trust Accreditation Commission, a national accreditation program sponsored by the Land Trust Alliance. Finally, COL possesses the resources and commitment to protect and defend the conservation purposes of this grant.

Perpetuity

As indicated previously, under IRC Section 170(h)(2) a qualified real property interest must be a use restriction granted in perpetuity, and IRC Section 170(h)(5)(A) requires that the conservation purpose must be protected in perpetuity. This means that the deed of conservation easement must indicate that the restriction remains on the property forever, and barring a remote future event is binding on current and future owners of the property. If a deed of conservation easement does not meet the perpetuity requirement it is not deductible.

The subject conservation easement is permanent and, therefore, in compliance with the applicable perpetuity requirements of the Treasury Regulations.

Recording of Easements

Treasury Regulation Section 1.170A-14(g)(1) indicates that any real property interest retained by the donor must be subject to legally enforceable restrictions, such as by recordation in the land records of the jurisdiction in which the property is located to prevent uses of the retained interest that are inconsistent with the conservation purposes of the donation. Therefore, an easement is not enforceable in perpetuity before it is recorded.

The Willow Creek Property conservation easement was placed on October 31, 2025, being recorded under Reception Number 705355; with the perpetual conservation easement and other exhibits or attachments to the deed, such as the description of the easement restrictions, maps, and other baseline documentation being recorded in accordance with the applicable Treasury Regulations in the Gunnison County Clerk and Records Office.

Conclusions

The Willow Creek Property conservation easement was placed on the entire 100.00±-acre subject CFOP on October 31, 2025. The recipient of the charitable donation was Colorado Open Lands (COL), a qualified 501(c)(3) land trust. The conservation purpose includes preservation of critical wildlife habitat, agricultural lands and scenic open space. Restrictions imposed by the conservation easement are extensive regarding allowed uses, including no subdivision of the land and only non-residential improvements with a maximum cumulative footprint of 600 square feet being allowed. These use restrictions place a substantial value burden on the property, since the probability is high that subject would eventually be sold and developed if the conservation easement did not exist. Finally, the conservation easement is perpetual, making the current and future owners of the subject CFOP a permanent partner with COL in the use and management of this property.



The fundamental concept of highest and best use is defined as:

“The reasonably probable use of property that results in the highest value.”³

To test for highest and best use, all logical and feasible alternatives must be analyzed. The appraiser should determine whether the proposed usage of the land is:

1. Physically Possible
2. Legally Permissible
3. Economically Feasible
4. Maximally Productive

If an affirmative answer may be given to these basic questions, it is determined that the highest and best use test has been satisfied. The appraiser must recognize that land is generally appraised as if vacant and available for development to its highest and best use and that the appraisal of improvements is based on their actual contribution to the site. Thus, the highest and best use of a site must be determined both 1) as vacant and 2) as improved. Given that the subject is vacant agricultural and recreational land without any development rights on an After basis, only the highest and best use as vacant needs to be analyzed.

Highest and Best Use As Vacant

Physically Possible Uses

The subject CFOP in the After Scenario consists of 100.00± acres of vacant dry sagebrush shrubland situated along the east and west sides of County Road 31, roughly nine miles southwest of Gunnison in the southwest portion of Gunnison County. This seasonally accessible property has historically been used for livestock grazing and consists almost entirely of montane sagebrush shrubland, with roughly 4.5± acres consisting of willow riparian vegetation along roughly one-half mile of the intermittent Willow Creek. This ranch has gentle to moderately sloping terrain at elevations ranging from 7,540 to 7,640 feet, and no adjudicated water rights to irrigate any of the land. Also, while the subject CFOP is surrounded by public Bureau of Land Management land and is adjacent to the Curecanti National Recreation Area, most of the land is open, has minimal tree cover and lacks any major mountain views. This rural area of Gunnison County is not served by municipal utilities, with any residential uses being off-grid.

The subject's immediate vicinity consists primarily of public Bureau of Land Management and National Forest lands, indicating very little private land along the County Road 31 corridor that is available for development. However, land to the west along State Highway 149 consists of a mix of rural ranches and 35.00+-acre residential lots, with seasonally accessible lots being developed along adjacent county and BLM roads. Therefore, rural residential development, agriculture and recreational uses are physically possible.

³ Appraisal Institute, *The Appraisal of Real Estate*, 15th Edition, (Chicago: Appraisal Institute, 2020), 305.

Legally Permissible Uses

The subject CFOP is not officially zoned by Gunnison County, but land use regulations allow one residential dwelling on a minimum of thirty-five acres. Therefore, the subject's 100.00± acres could legally be developed with up to two, 35+-acre home sites consistent with its existing boundaries, each allowing one single family home. However, because the conservation easement that encumbers this property prohibits any subdivision and residential improvements, all development rights have been extinguished. This CE is severely restrictive, equating to a 100.0% reduction in allowable density in the After scenario (or from two to no potential lots). Therefore, the subject legally consists of 100.00± acres of open space land that can only be used for seasonal cattle grazing and passive recreational uses.

Economically Feasible Uses

The overall value of the subject is significantly reduced by the CE, not allowing residential development on the entire property. This is a substantial reduction in property rights (with only two small agricultural support structures being allowed), with any reduction in value being perpetual. Despite the level of restrictions being placed on the subject, permissible agricultural and recreational uses remain financially feasible.

Maximally Productive Use

Based on our analysis of the physically possible, legally permissible, and economically feasible uses of the site, the highest and best use as vacant, on an After basis, is agriculture and recreational uses allowed by deed restrictions. Since the 100.00±-acre CFOP cannot be further subdivided, it must remain under single ownership.



The estimation of a real property's market value involves a systematic process in which the problem is defined; the work necessary to solve the problem is planned; and the data required are acquired, classified, analyzed and interpreted as an opinion of value. In this process, we recognize three primary approaches to value: the cost approach, sales comparison approach, and the income capitalization approach. When land development is imminent or proposed, the subdivision development approach is also used. When one or more of these approaches is not applicable in the appraisal process, full justification must be presented. An explanation of each approach was previously presented in *The Valuation Process - Before Scenario* section of the report.

Valuation Approaches Utilized

Given that the subject represents 100.00± acres of CE encumbered land that cannot be subdivided or further developed, only the sales comparison approach is utilized in estimating the "As Is" Fair Market Value of the subject's underlying land. We will analyze comparable CE encumbered properties on a price per acre basis, with additional support provided by applying a sale extracted loss factor to the portion of the property that will be restricted. Given that the subject must remain under single ownership as one parcel, the subdivision development approach is not considered relevant in this case. Also, given that potential agricultural income is not a primary factor when making a purchase decision, the income capitalization approach is also not relevant in this case. As noted previously, as vacant land the cost approach is not applicable to this assignment.

As indicated, the most reliable valuation method is direct comparison of the most similar easement encumbered sales (i.e., land only on price per acre basis) to the subject, as encumbered. Although paired-sales analysis of comparable properties encumbered by conservation easements would be optimal, the after value of the subject is mostly based on qualitative adjustments only. It is important to note that purchases of a conservation easement interest rarely provide a true indication of fair market value, as these are often bargain sales, and the buyers are almost always land trusts or government entities (as opposed to private parties) that have atypical motivations. Besides their reduced potential for development, other factors that may have an adverse impact on value for easement-encumbered properties include longer required marketing periods due to the rather limited pool of buyers, the difficulty of obtaining financing, monitoring costs that may be the burden of the owner, as well as grantor obligations created from the deed of conveyance.

Reconciliation

The final analytical step in the valuation process is reconciliation of the value indications obtained from the different approaches to value. The appraisers must consider the relative dependability and applicability of each approach as dictated by the individual characteristics of the subject. The final opinion of value reflects the results of such deliberation.



The sales comparison approach, also termed the market approach, involves the comparison of the subject to similar properties which have already sold, or which are currently offered for sale, with consideration given to their respective differences from the subject. This process tends to form a pattern of indicators from which the appraiser can estimate the value of the subject property. The principle of substitution is an integral part of this approach since a purchaser will typically not pay more for a property than would be required to purchase an equally desirable substitute property.

The following procedures are used to apply the sales comparison approach.

1. Research the competitive market for information on properties that are similar to the property being appraised and that have been sold recently, or were listed for sale, or are under contract. Information on agreements of sale, options, listings, and bona fide offers may also be collected. The characteristics of the properties such as property type, date of sale, size, physical condition, location, and land use constraints should be considered. The goal is to find a set of comparable sales or other evidence such as property listings or contracts as similar as possible to the subject property to ensure they reflect the actions of similar buyers. Market analysis and highest and best use analysis set the stage for the selection of appropriate comparable sales.
2. Verify the information by confirming that the data obtained is factually accurate and that the transactions reflect arm's-length market considerations. Verification should elicit additional information about the property such as buyer and seller motivations, economic characteristics (if the property is income-producing), value component allocations, and other significant factors as well as information about the market to ensure that comparisons are credible.
3. Select the most relevant units of comparison used by participants in the market (e.g., price per acre, price per square foot, price per front foot, price per dwelling unit, price per lot or proposed lot, price per room) and develop a comparative analysis for each unit. The goal is to define and identify a unit of comparison that explains or mirrors market behavior.
4. Look for differences between the comparables being considered and the subject property using all appropriate elements of comparison. Then adjust the price of each comparable, reflecting how it differs to equate it to the subject property or eliminate that property as a comparable. This step typically involves using the most similar sale properties and then adjusting for any remaining differences. If a transaction does not reflect the actions of a buyer who would also be attracted to the subject property, an appraiser should be concerned about comparability and the wisdom of relying on that comparable as a basis of comparison.
5. Reconcile the various value indications produced from the analysis of comparables into a value indication from the sales comparison approach. A value can be expressed as a single point estimate, as a range of values, or in terms of a relationship (e.g., more or less than a given amount)."⁴

Each of the preceding steps will be further explained in detail as they are utilized.

⁴ Appraisal Institute, *The Appraisal of Real Estate*, 15th Edition, (Chicago: Appraisal Institute, 2020), 355.

Site Valuation by Sales Comparison

There are several different methods of land valuation; however, when sufficient data is available, the sales comparison approach is generally regarded as the best method. This method of estimating market value was previously outlined in The Valuation Process section of this report. All available data sources were researched to identify sales of sites which are similar to the subject. Market participants were also surveyed regarding available offerings and general market activity.

The CFOP in the After Scenario consists of a single 100.00±-acre agricultural and recreational parcel that is encumbered by an extremely restrictive conservation easement (CE) that extinguished all residential development rights. Therefore, the placement of this easement equates to a 100% reduction in allowable density in the After scenario, precluding even the construction of a small, off-grid recreational cabin. Therefore, on an After basis the subject consists only of agricultural and recreational open space land suitable for seasonal cattle grazing and low-impact outdoor activities such as wildlife watching, hiking, cross-country skiing, horseback riding, hunting and fishing.

While the number of properties that sell subject to conservation easements is relatively small, the number of properties that sell with all development rights being extinguished is extremely rare. Therefore, to find similarly restricted sales we had to expand our search across the entire state, which includes a broad set of property types, sizes, locations and development pressures. Because of these numerous variables the indicated prices per acre are very broad, making a traditional comparison to the subject very difficult. Based on the preceding, we will only analyze the comparable sales based on the estimated percentage losses in value from the highly restrictive easements that encumber them. While the Diminution in Value Method is typically utilized as a test of reasonableness for traditional sales comparison techniques, given the significant differences between the subject and comparables this is considered the only applicable valuation method in this particular case.

The following page includes a summary of the encumbered land sales considered the most comparable to the subject CFOP. While they may not represent all the sales that have occurred, they provide a sufficient database from which a reliable analysis of the subject can be made. Also, detailed abstracts of the comparable sales in the After scenario are included in the *Addenda*.

Willow Creek Property
Summary of Comparable Encumbered Land Sales - After Scenario

Property Name - Location - APN	Date of Sale	Grantor - Grantee - Reception No.	Actual and Adjusted Sale Prices	Zoning	Water Rights	Percent Irrigated	Land Size Acres	Encumbered Land/Acres	Percent Encumbered	Encumbered Price/Acre	Estimated Unencumbered Value/Acre	% Loss in Value	Comments
Strang Ranch - Card Place TBD County Road 6 East of Meeker 1411-271-00-030	4/2/2021	Strang Herefords and Black Angus, LLC L Bar Slash Ranch, LLLP 321971 - Rio Blanco County	\$1,246,160	AG	None	74.6%	321.54	321.54	100.0%	\$3,876	\$8,000	51.6%	Southern portion of the 1,040 acre Strang Ranch, which is located east of Meeker. It has no water rights, but it is irrigated by return flows from excess water at other ranches. CE extinguished all development rights. Sold to a neighbor, which was motivated by assemblage; so the loss in value is considered understated.
McCormick Ranch Sub. - Lot 7 38 McCormick Ranch Road Crested Butte 3255-000-09-007	1/14/2021	MR Lot 7, LLC Denovo Mountains, LLC 672827 - Gunnison County	\$240,000	None	None	0.0%	37.40	37.40	100.0%	\$6,417	\$54,000	88.1%	Single family residential homesite in a 7-lot rural subdivision with year round access. CE extinguished all residential development rights, allowing only a storage barn. Not formally marketed, being offered to adjacent lot owners. While bought by an adjacent owner, the loss in value is overstated due to a motivated seller.
HSR Remainder Parcel 38725 Hidden Springs Drive Southwest of Hayden 2442-01-002	2/21/2020	HSH Holdings, LLC J Quarter Circle Company 807641 - Routt County	\$220,000	AG/ Forestry	None	0.0%	439.77	439.77	100.0%	\$500	\$1,500	66.6%	Open space parcel within the 28 lot Hidden Springs Ranch subdivision near Hayden. This is one of the remainder parcels that cannot be developed, but was leased to a local rancher for farming/grazing.
Payne Mesa Ranch TBD County 9.8 Road Unincorporated Mesa County 3211-171-00-172	11/20/2019	Gore Livestock Incorporated Albert W. Carlson Trust 2903898 - Mesa County	\$6,500,000	AFT	Minimal 1.87 CFS	2.3%	4,443.21	4,443.21	100.0%	\$1,463	\$3,000	51.2%	Very large ranch situated in a remote portion of Mesa County. Acquired for hunting purposes, as this is prime habitat for trophy caliber elk. Property is encumbered by a restrictive CE that extinguished all development rights.
Skylark Ranch 2525 County Road 340 South of Parshall 1445-282-00-017	10/26/2018	Skylark Cattle Company Company Ranch, LLC 2018008750 - Grand County	\$2,548,000	F Forestry and Open	None	0.0%	3,641.22	3,641.22	100.0%	\$700	\$2,000	65.0%	Located east of Williams Fork Reservoir, a few miles south of Parshall. Site has no irrigated land, being used for cattle grazing in conjunction with federal permits. Was part of a larger 5,000 acre ranch that was CE encumbered, with the remainder sold off as smaller tracts allowing six reserved homesites. Thus, all rights to development rights were extinguished.
Knorr Lakeside Ranch - Parcel C TBD County Road 30 Unincorporated Summit County 1697-1940-00-001	8/1/2018	Lower Blue Open Range, LLC Summit County Board of Commissioners 1176300 - Summit County	\$1,102,231	AG	Good 25.35 CFS	29.7%	505.51	505.51	100.0%	\$2,180	\$7,000	68.9%	Encumbered portion of the larger, 1,123.62 acre Knorr Lakeside Ranch. Simultaneous transactions where Summit County placed a CE that extinguished all development rights. Property is situated adjacent to the Green Mountain Reservoir.
Clear W Ranch ES Snowmass Creek Road at terminus of Popish Road Unincorporated Pitkin County 2645-271-00-003	7/9/2018	Clear W Ranch, LLC Perpetual, LLC 648675 and 648677 - Pitkin County	\$2,000,000	RS-30 Resource	Minimal 3.30 CFS	9.0%	272.74	272.74	100.0%	\$7,333	\$46,000	84.1%	Sale of Clear W Ranch. Property acquired with the adjacent 275.344 acre Lot 16 in Wildcat Ranch. This portion of the property is 100% encumbered by a CE that extinguishes all development rights. Reflects the allocated price for the encumbered portion of the property.
Windstar Ranch 2317 Snowmass Creek Road Snowmass, Colorado 2465-031-00-004	4/29/2013	Windstar Land Conservancy Five Valley Farm, LLC 599101 and 599103 - Pitkin County	\$9,000,000 \$8,600,000	RS-30 Resource	Good 10.25 CFS	20.9%	957.43	926.68	96.8%	\$8,982	\$25,000	64.1%	One thirty acre building envelope allowing development not to exceed 25,000 SF for staff housing serving a maximum of 20 employees. Offices for Rocky Mountain Institute (RMI) had limited contributory value.

Analysis of Comparable Encumbered Sales

We identified eight comparable sales of highly restricted encumbered land tracts with no development rights, which includes a broad set of property types, sizes, locations and development pressures across the entire state. Again, given their significant variability in location, size and development pressure, a percent loss in value is the most applicable unit of comparison available for analysis.

Land Sale 1 - Card Place

Known as the Card Place, this is the early-2021 sale of the southern 321.54± acres of the larger 1,035.00± acre Strang Ranch, which is located on the south side of County Road 6, roughly five miles southeast of downtown Meeker. While this unimproved property sold without material water rights, roughly 240 acres or 74.6% of this site is sub-irrigated by return flows from excess water at other ranches. Therefore, this is fairly productive hay ground, with portions of the site being bisected by the Coal, Little Beaver and Loan Tree creeks (none of which are trout fisheries). Also, this site is mostly level, has year-round access from a maintained county road, and good surrounding views.

This property was not actively marketed for sale, with the seller being approached by the neighbor to the south that owns the adjacent K-T and Wakara Ranches (which were acquired in mid-2017 and mid-2020, respectively). This out-of-town owner offered to pay \$4,000/Acre, with the seller instead offering it at the same unit price to a local ranching family that owns the adjacent L Bar Slash Ranch to the north. A final price of \$1,246,160 or **\$3,876/Acre** was paid, reflecting a \$40,000 credit for new fencing. However, ***this price is considered above market, reflecting a buyer motivated by assemblage.***

Conservation Easement Value Influence

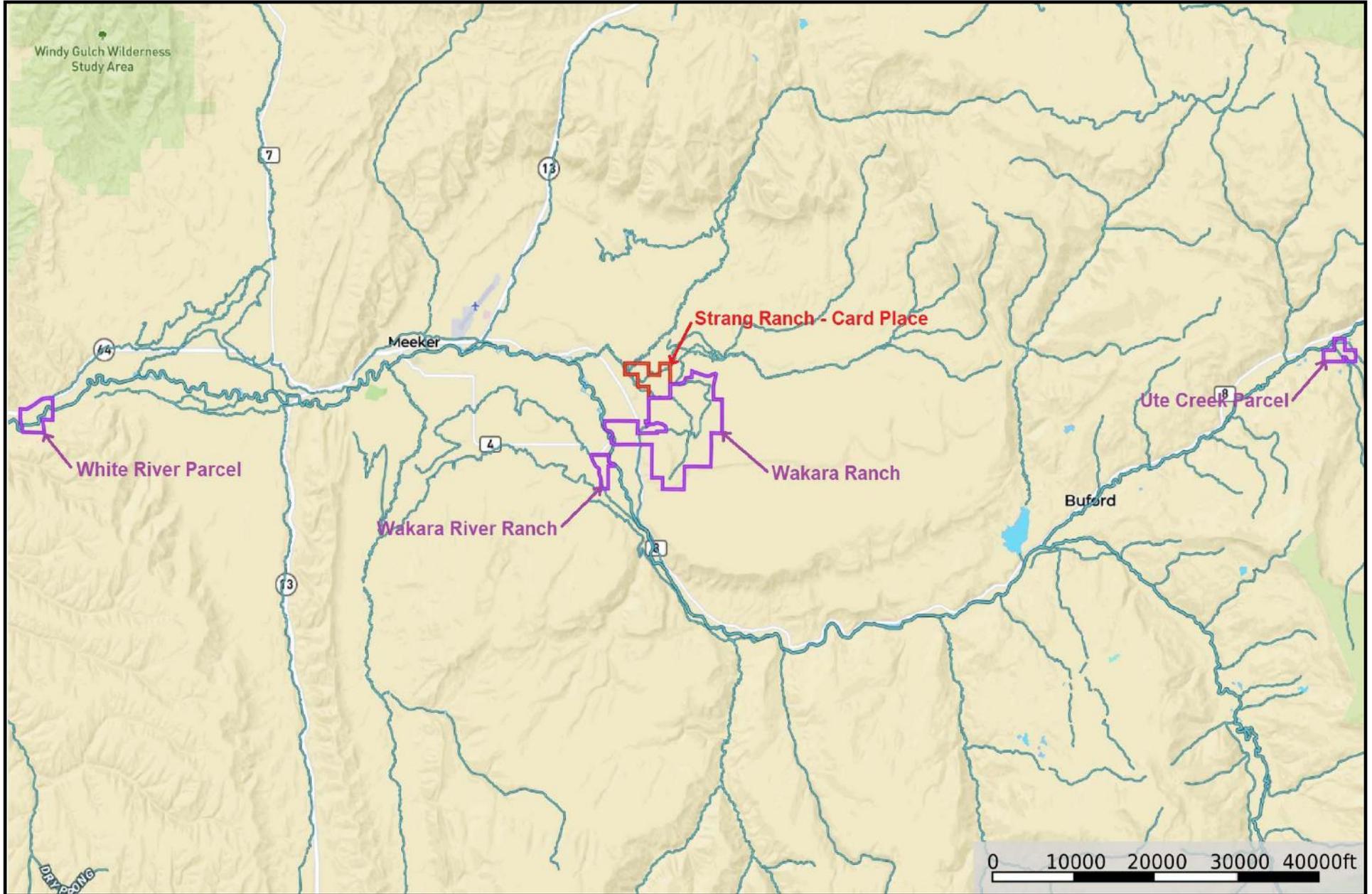
A conservation easement was placed with the Yampa Valley Land Trust at the end of 2004, which extinguished all development rights on the entire property. Only minor agricultural structures are allowed, which consists of corrals, loafing sheds and open hay sheds only; with barns, garages and storage sheds not considered minor agricultural structures. The conservation easement reduced the density of this site by 100%, as per Rio Blanco County zoning this site could have been subdivided into nine residential lots with a minimum size of 35-acres.

In order to measure the loss in value due to the conservation easement, we analyzed the sale of four unencumbered ranches in the surrounding area. The details of these sales and a location map are included on the following pages.

Card Place - Summary of Unencumbered Land Sales

Property Name - Location - APN	Date of Sale	Grantor - Grantee - Document No.	Adjusted Land Price	Land Size/ Acres	Price/Acre	Comparability - Adjustments	Overall Adjustment
Wakara River Ranch 6406 County Road 4 1623-044-00-076	12/16/2020	Wakara Ranch, LLC Horseshoe Ranch, LLC 321318 and 321319	\$1,800,000	132.24	\$13,612	Vastly Superior - Varying downward adjustments for its smaller size and superior appeal, having 1/4 mile of White River frontage along its entire northeast boundary.	Significant Downward
Ute Creek Parcel 772 County Road 12 1417-204-00-007	12/9/2019	Gentry Colorado, LLLP Ute Creek Properties, LLC 319240 and 319241	\$950,000	155.00	\$6,129	Inferior - A downward adjustment for its smaller size is more than offset by a significant upward adjustment for its inferior rural location well east of Meeker.	Upward
Wakara Ranch 4999 County Road 6 1411-252-00-161 1411-333-00-032 1411-343-00-178	4/14/2017	Wakara Ranch, LLC and Wakara Ranch Acquisitions, LLC Edwards CO, LLC 314343 through 314346	\$6,110,000	2,192.00	\$2,787	Vastly Inferior - White River frontage is more than offset by significant upward adjustments for changing market conditions and its substantially larger size.	Significant Upward
White River Parcel 66520 State Highway 64 1407-322-00-010 1407-322-00-048	12/30/2016	The Cross Slash Four, LP BW Ranches, LLC 313808 and 313809	\$1,759,000	270.08	\$6,513	Inferior - Upward adjustments for its inferior appeal along State Highway 64 and changing market conditions. Although the White River bisects the center of this site, the southern portion of the property is un-buildable.	Upward
Strang Ranch - Card Place TBD County Road 6 1411-271-00-030	4/2/2021	Strang Herefords and Black Angus, LLC L Bar Slash Ranch, LLLP 321971	\$1,246,160	321.54	\$3,876		

CARD PLACE COMPARABLE SALE MAP – AFTER SCENARIO



Land Sale 1 - The 132.24± acre Wakara River Ranch sold at the end of 2020 for a land only price of \$13,612/Acre, with a selling price of \$1,900,000 being adjusted for the modest contributory value of a bunkhouse and historic barn. This property is situated just to the southwest along County Road 4, having roughly 1/4 mile of White River frontage along its entire northeast boundary (which provides excellent fishing). Also, water rights are very senior, with irrigation on roughly 100.00± acres or 75.6% of the property providing an excellent environment for hay production. A downward adjustment for its smaller size, and a significant downward adjustment for its superior appeal are warranted. **Overall, a significant downward adjustment to a \$13,612/Acre unit price is indicated.**

Land Sale 2 - Consists of a 155.00± acre ranch situated in a remote area of Rio Blanco County, approximately twenty-one miles east of downtown Meeker. A selling price of \$1,000,000 was adjusted for the very modest contributory value of two small, very old cabins originally constructed in 1899 and 1946. Although a small section of the White River bisects the northern portion of this property, irrigation water is mostly provided by the Ute and Campbell creeks. While no adjustment for water rights/features is considered necessary, a downward adjustment for its smaller size has been made. Also, given its more rural location well removed from commercial services in Meeker, a significant upward adjustment for this factor is appropriate. **Overall, an upward adjustment to a \$6,129/Acre unit price is indicated.**

Land Sale 3 - The 2,192.00± acre Wakara Ranch sold in early-2017 for a land only price of \$2,787/Acre, with a total price of \$9,613,725 being adjusted by approximately \$3,500,000 for the significant contributory value of an upscale, 5,093 square foot main house, two newer guest houses, two employee houses and several outbuildings. This property abuts the southern boundary of the Card Place, having roughly ½ mile of White River frontage along its far western boundary. While a downward adjustment for this superior water feature is necessary, it is somewhat mitigated by a lower 36.5% of this site being irrigated. Also, varying upward adjustments are required for changing market conditions and its substantially larger size. **Overall, a significant upward adjustment to a \$2,787/Acre unit price is indicated.**

Land Sale 4 - Consists of a 270.08± acre parcel situated along the south side of State Highway 64, approximately eight miles southwest of downtown Meeker. This vacant tract was acquired at the end of 2016 for \$6,513/Acre, with the White River running through the entire central portion of this property. Similar to Land Sale 3, while a downward adjustment for this superior water feature is necessary, this is generally offset by its inferior utility due to the area south of the river being mostly inaccessible and un-buildable. Given its much older sale date an upward adjustment for changing market conditions is necessary, along with an additional upward adjustment for its inferior appeal along a state highway. **Overall, an upward adjustment to a \$6,513/Acre unit price is indicated.**

An analysis of all four comparable sales supports an unencumbered land value between \$7,000 to \$9,000/Acre, with a reasonable unit price of \$8,000/Acre indicating a 51.6% loss in value from the Card Place conservation easement. However, this loss is understated due to a motivated buyer.

Land Sale 2 - McCormick Ranch Lot 7

This is the early-2021 sale of the 37.40± acre Lot 7 in The McCormick Ranch residential subdivision, which is adjacent to the eastern boundary of the Town of Crested Butte. This seven-lot subdivision has year-round access from privately maintained McCormick Ranch Road, underground utilities, low agricultural real estate taxes, level topography, excellent mountain views, and public access to groomed nordic ski trails. In addition, the Slate River bisects various portions of Lots 5, 6 and 7 on the west side of this development, providing private fishing rights. This property was not formally marketed for sale, **with a highly motivated seller offering it to adjacent owners, including the buyer of Lot 6**. Their asking price of \$240,000 or \$6,417/Acre was accepted on December 23, 2020, selling on an all-cash basis with no contingencies.

Conservation Easement Value Influence

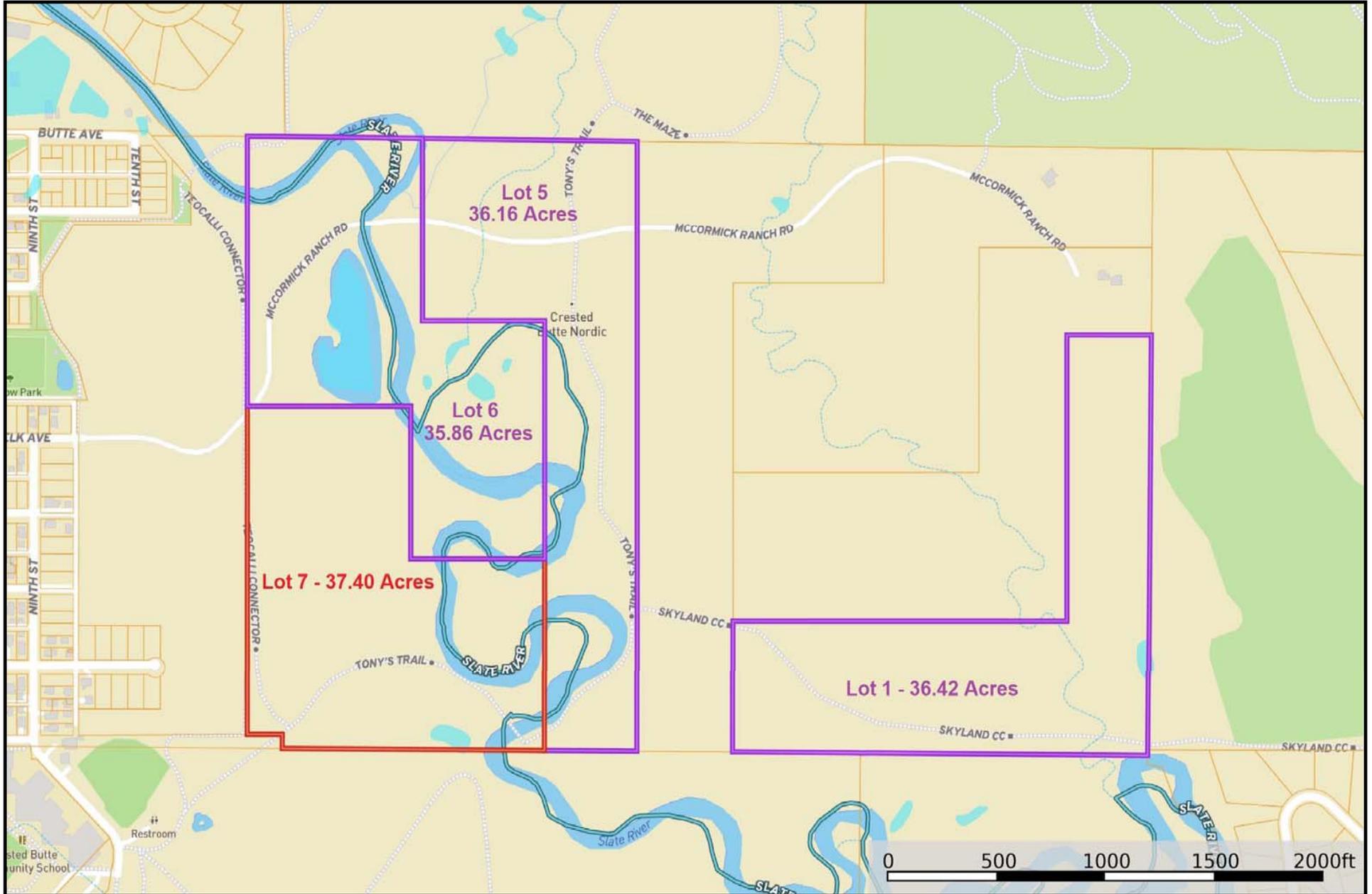
A conservation easement was placed with the Crested Butte Land Trust at the beginning of 2021, which extinguished the development right for one residence with a maximum size of 5,000 square feet, a guest house with a maximum size of 1,500 square feet, and a garage with up to 1,000 square feet within the designated 0.76± acre building envelope. Only one barn with a maximum size of 1,500 square feet, fences and corrals within the designated building area are allowed. Therefore, this conservation easement reduced the density of this site by 100%.

In order to measure the loss in value due to the conservation easement, we analyzed the sale of three unencumbered lots within the same subdivision. The details of these sales and a location map are included on the following pages.

Mc Cormick Ranch - Summary of Unencumbered Land Sales

Property Name - Location - APN	Date of Sale	Grantor - Grantee - Document No.	Adjusted Land Price	Land Size/ Acres	Price/Acre	Comparability - Adjustments	Overall Adjustment
McCormick Ranch - Lot 1 1099 McCormick Ranch Road 3255-000-09-001	9/20/2021	Wendy F. and Henry Lindenmeyr TAPTC, LLC 679419	\$1,700,000	36.42	\$46,678	Inferior - An upward adjustment for its lack of Slate River frontage is made, which is partially offset by its superior end-of-road location.	Upward
McCormick Ranch - Lot 5 341 McCormick Ranch Road 3255-000-09-005	3/19/2021	Bailey's Crested Butte Properties, LLC Gibney Family, LP 674555 and 674556	\$1,950,000	36.16	\$53,927	Similar - Similar amount of Slate River frontage.	None
McCormick Ranch - Lot 6 114 McCormick Ranch Road 3255-000-09-006	12/29/2020	Alta Piedra-Mr Land, LLC Denovo Mountains, LLC 672368	\$2,500,000	35.86	\$69,716	Vastly Superior - A significant downward adjustment for its superior appeal, having more extensive Slate River frontage and an on-site site pond.	Significant Downward
McCormick Ranch - Lot 7 38 McCormick Ranch Road 3255-000-09-007	1/14/2021	MR Lot 7, LLC Denovo Mountains, LLC 672827	\$240,000	37.40	\$6,417		

MC CORMICK RANCH COMPARABLE SALE MAP – AFTER SCENARIO



Lot Sale 1 - The L-shaped, 36.42± acre Lot 1 sold in late-2021 for \$1,700,000 or \$46,678/Acre, being situated at the eastern edge of this development at the terminus of McCormick Ranch Road. While an upward adjustment for its lack of Slate River frontage is considered necessary, this is partially offset by a slight downward adjustment for its superior end-of-road location. **Overall, an upward adjustment to a \$46,678/Acre unit price is indicated.**

Lot Sale 2 - The flag-shaped, 36.16± acre adjacent Lot 5 sold in early-2021 for \$1,950,000 or \$53,927/Acre, being bisected by the Slate River in the southern portion of this lot. The characteristics of this lot are considered very similar to Lot 7, having roughly equal amounts of frontage along the Slate River. **Overall, an indicated unit price of \$53,927/Acre is considered an excellent benchmark for the unencumbered value of Lot 7.**

Lot Sale 3 - The 35.86± acre adjacent Lot 6 sold at the end of 2020 for \$2,500,000 or \$69,716/Acre, being completely bisected by the Slate River and having an on-site pond. Therefore, this is the most appealing lot within this subdivision, with a significant downward adjustment for its vastly superior water features considered necessary. **Overall, a significant downward adjustment to a \$69,716/Acre unit price is indicated.**

Based on the very comparable attributes of Lot Sale 2, an unencumbered lot value of \$54,000/Acre is considered reasonable, indicating an 88.1% loss in value from the McCormick Ranch Lot 7 conservation easement. However, this loss is overstated due to the below-market price accepted by a motivated seller.

Land Sale 3 - Hidden Springs Ranch Remainder Parcel

The Hidden Springs Ranch (HSR) consists of a 770.00± acre, twenty-eight lot residential subdivision situated along the south side of County Road 65, roughly 2.0 miles southwest of the small town of Hayden. This rural subdivision has direct, year-round access, with the finished lots being served by private, interior road and central water systems. Per the recorded plat the twenty-eight lots have a combined land area of 140.17± acres, equating to an average size of 5.01± acres or 218,057 square feet. There are also two "remainder parcels" ranging in size from 190.06 to 439.77± acres, with the largest of the two selling in an off-market transaction in early-2020 for \$220,000 or \$500/Acre.

Remainder Parcel 2 is situated directly southwest of the finished lots, having year-round access from a private driveway at the terminus of Hillcrest Court, consisting mostly of dryland alfalfa and native rangeland used for cattle grazing and hunting. This property has good surrounding views, no material water rights, and borders state-owned land along portions of its east and west boundaries. The seller is a local contractor who acquired this property in 2013 from a lender that was involved in litigation, with the buyer being a local rancher who was leasing the property at the time of sale (and owns a ranch directly to the west). It was acquired primarily for ongoing farming and ranching use, although its very good big-game hunting was also a consideration in making a purchase decision.

Development Agreement Value Influence

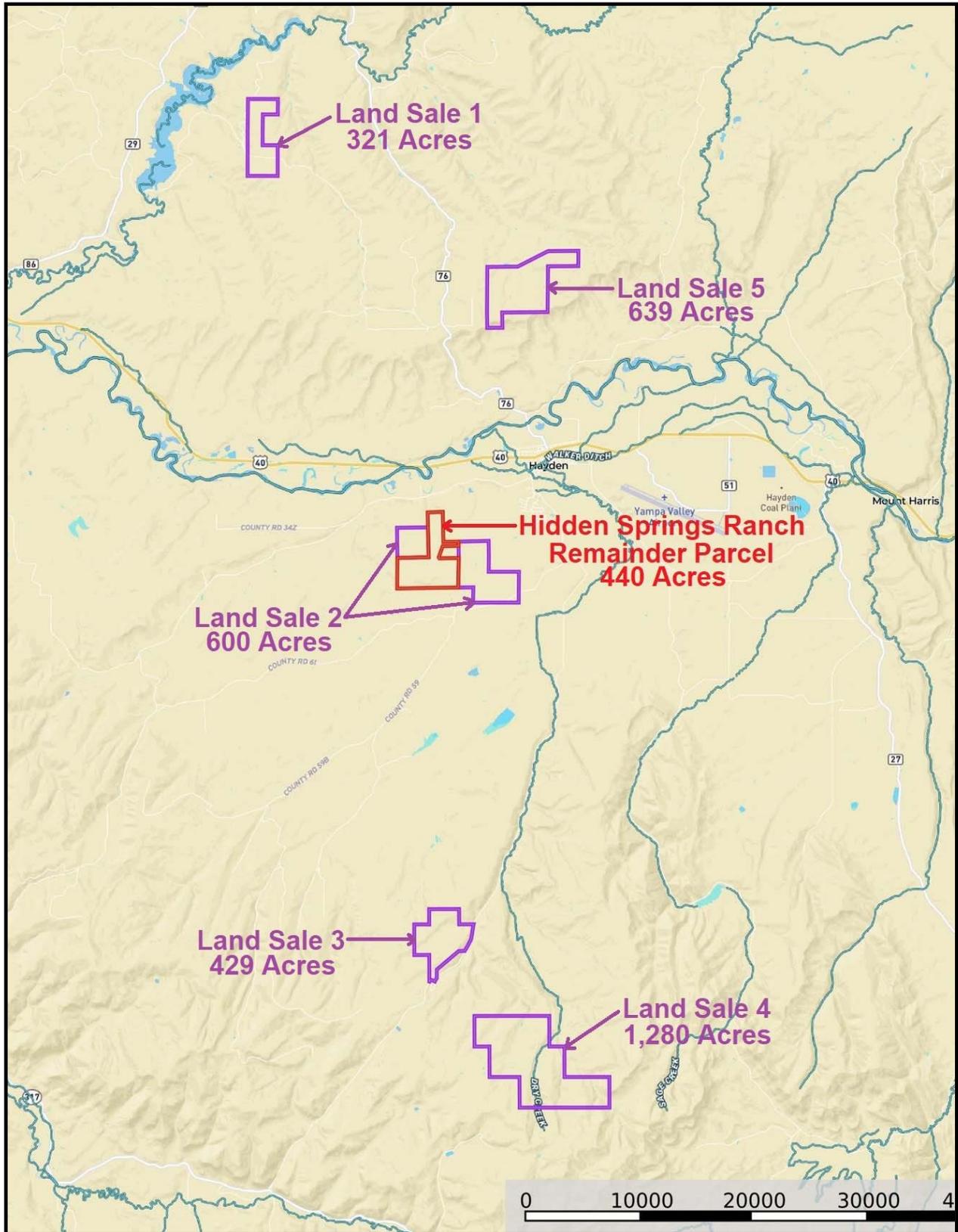
A Development Agreement between 4S Development, Ltd. and Routt County was recorded on March 24, 2004 under Reception Number 599469, with the lot density being approved with the inclusion of the two remainder parcels. Ownership of the smaller Remainder Parcel 1 was retained by the HSR Owners Association, being set aside as an open space amenity for the finished lots (and includes 15.28± acres for interior roads). Per the Development Agreement both of the remainder parcels “shall be held under a single ownership,” and “no dwelling unit shall be permitted to be constructed on the remainder parcels and no structure on any remainder parcel shall be permitted to be used as a dwelling unit.” This agreement runs with the land in perpetuity and reduced the residential density of this site by 100%; as per Routt County zoning this site could have been subdivided into twelve residential lots with a minimum size of 35-acres.

In order to measure the loss in value due to the Development Agreement, we analyzed the sale of five unencumbered ranches and open space tracts in the surrounding area. The details of these sales and a location map are included on the following pages.

Hidden Springs Ranch Remainder Parcel - Summary of Unencumbered Land Sales

Property Name - Location - APN	Date of Sale	Grantor - Grantee - Document No.	Adjusted Land Price	Land Size/ Acres	Price/Acre	Comparability - Adjustments	Overall Adjustment
Rural Grazing Land 4055 County Road 78 9281-13-001	12/31/2019	Flag Bar Livestock, LLC Leland C. Silver 806372 and 806883	\$400,000	321.23	\$1,245	Inferior - An upward adjustment for its more remote location roughly 6.5 +/- miles northwest of Hayden.	Upward
Open Space Land 36705 County Road 59 9401-84-001 9402-01-001	10/23/2019	Jack Holderness Land, LLC CO State Board of Land Commissioners 804249 and 804252	\$484,000 76,800 \$560,800	440.00 160.00 600.00	\$1,100 480 \$935	Inferior - Significant upward adjustment to the 440 acre parcel due to 65% of the site being enrolled in CRP through 9/30/2022, which significantly reduces the uses for this property for roughly three more years.	Significant Upward
Rural Ranch 32173 County Road 53 9432-02-001	8/15/2019	American Land Holdings of Colorado, LL Justin M. and Lisa M. Gallegos 802287 and 802288	\$575,000	428.75	\$1,341	Inferior - An upward adjustment for its more remote location roughly 7.5 +/- miles south of Hayden.	Upward
Cross Mountain Ranch TBD County Road 53C 9432-83-001 9432-84-002 9432-94-002 9433-32-001	1/10/2019	Cross Mountain Ranch, LP Steamboat Partners, LP 796565 through 796567	\$2,048,000	1,280.00	\$1,600	Superior - While varying upward adjustments for its much larger size and more remote location are required, this is more than offset by its superior water rights/features (being bisected by Dry Creek and several springs).	Slight Downward
Rural Grazing Land TBD County Road 74 9292-72-001 9292-81-001 9292-83-001 9293-32-001	7/2/2018	David J. and Judith L. Zehner Rev. Trust SRB, LLC 791306 and 791309	\$769,200	639.30	\$1,203	Inferior - Upward adjustments for market conditions, a larger size and inferior property rights (as 39% of the land is enrolled in CRP), is partially offset by a downward adjustment for superior water rights.	Upward
HS Ranch - Remainder Parcel 38725 Hidden Springs Drive 2442-01-002	2/21/2020	HSH Holdings, LLC J Quarter Circle Company 807641 and 807642	\$220,000	439.77	\$500		

HSR REMAINDER COMPARABLE SALE MAP – AFTER SCENARIO



Land Sale 1 - Consists of 321.23± acres of dryland crop and grazing ground that sold at the end of 2019 for \$400,000 or \$1,245/Acre. Like the subject this property has no material water rights or live water features, being situated in a more remote location roughly 6.5± miles northwest of Hayden. Therefore, an upward adjustment for this factor is considered necessary. **Overall, an upward adjustment to a \$1,245/Acre unit price is indicated.**

Land Sale 2 - Consists of 600.00± acres in two separate parcels that border the subject's east and west boundaries, having been acquired by the Colorado State Land Board for open space in late-2019 for \$560,000 or \$935/Acre. This property was actively marketed for sale, with the final price being supported by a third-party appraisal prepared for the buyer. The smaller, 160.00± acre parcel along the subject's west boundary was ascribed minimal value due to its lack of street frontage and legal access, with the larger, 440.00± acres having an allocated value of \$484,000 or \$1,100/Acre. This portion of the property has direct access from County Road 59 and is considered very comparable to the subject. However, roughly 65% of this site was enrolled in CRP for another three years, which significantly reduces its potential use in the short run. **Therefore, a significant upward adjustment to a \$1,100/Acre unit price is indicated for inferior property rights conveyed.**

Land Sale 3 - Consists of 428.75± acres of dryland crop and grazing ground that sold in late-2019 for \$575,000 or \$1,341/Acre. Like the subject this property has no material water rights or live water features, being situated in a more remote location roughly 7.5± miles south of Hayden. **Therefore, an upward adjustment for this factor is considered necessary. Overall, an upward adjustment to a \$1,341/Acre unit price is indicated.**

Land Sale 4 - The 1,280.00± acre, unimproved Cross Mountain Ranch sold at the beginning of 2019 for \$2,084,000 or \$1,600/Acre, being acquired by the owner of the adjacent R Bar None Ranch. Given its remote location directly southeast of Land Sale 3, an upward adjustment for this factor is considered necessary, along with an additional upward adjustment for its substantially larger size. However, this ranch has superior water rights and features, being bisected by Dry Creek and numerous springs. Therefore, a significant downward adjustment for this factor has been made, along with an additional downward adjustment for conditions of sale. **Overall, a slight downward adjustment to a \$1,600/Acre unit price is indicated.**

Land Sale 5 - Consists of 639.30± acres to the north of Hayden that is bisected by County Road 74, which sold in mid-2018 for \$769,200 or \$1,203/Acre. This property consists of good quality grazing land that sold with adjudicated water rights from two springs, 4.90± acres of storage rights in an on-site reservoir and a 50.0% interest in a 2.50± acre reservoir directly to the north. It is situated in a similar location roughly two miles north of Hayden, and is also bordered by state land along its southern boundary. Upward adjustments for changing market conditions, its larger size and inferior utility given 39% of the land is enrolled in CRP (which again, limits its use and/or development potential), is partially offset by the downward adjustment required for its superior water rights. **Overall, an upward adjustment to a \$1,203/Acre unit price is indicated.**

An analysis of all five comparable sales supports an unencumbered land value of \$1,500/Acre, indicating a 66.6% loss in value from the Hidden Springs Ranch Development Agreement.

Land Sale 4 - Payne Mesa Ranch

The Payne Mesa Ranch (PMR) contains a total land area of 4,443.21± acres, being situated in the very remote, Glade Park area of Mesa County roughly sixteen miles southwest of downtown Grand Junction. This property sits atop the Payne Mesa, straddling drainage ways of the Little Dolores River, Payne Creek, Tommy Dodson Creek and Maiden Creek (which traverse the ranch in the Payne and Tommy Dodson Canyons), with these high-desert waterways having lesser flows but provide some good trout fishing (with native cutthroat trout found in stretches of Payne Creek). This ranch consists mostly of sage, oak brush and grasslands, with rugged canyons, some timber, springs and ponds. Also, minimal water rights in the Reed Ditch are adequate to irrigate roughly 100.00± acres of pasture at the northern edge of the site, which is accessible year-round from unpaved County 9.8 Road. This unimproved ranch was acquired for hunting purposes in late-2019 for \$6,500,000 or \$1,463/Acre, with Game Management Unit 40 being one of the most coveted trophy elk habitats in the entire state. The property is also used for livestock grazing, which includes two allotments on roughly 2,500± acres of adjacent BLM land.

Conservation Easement Value Influence

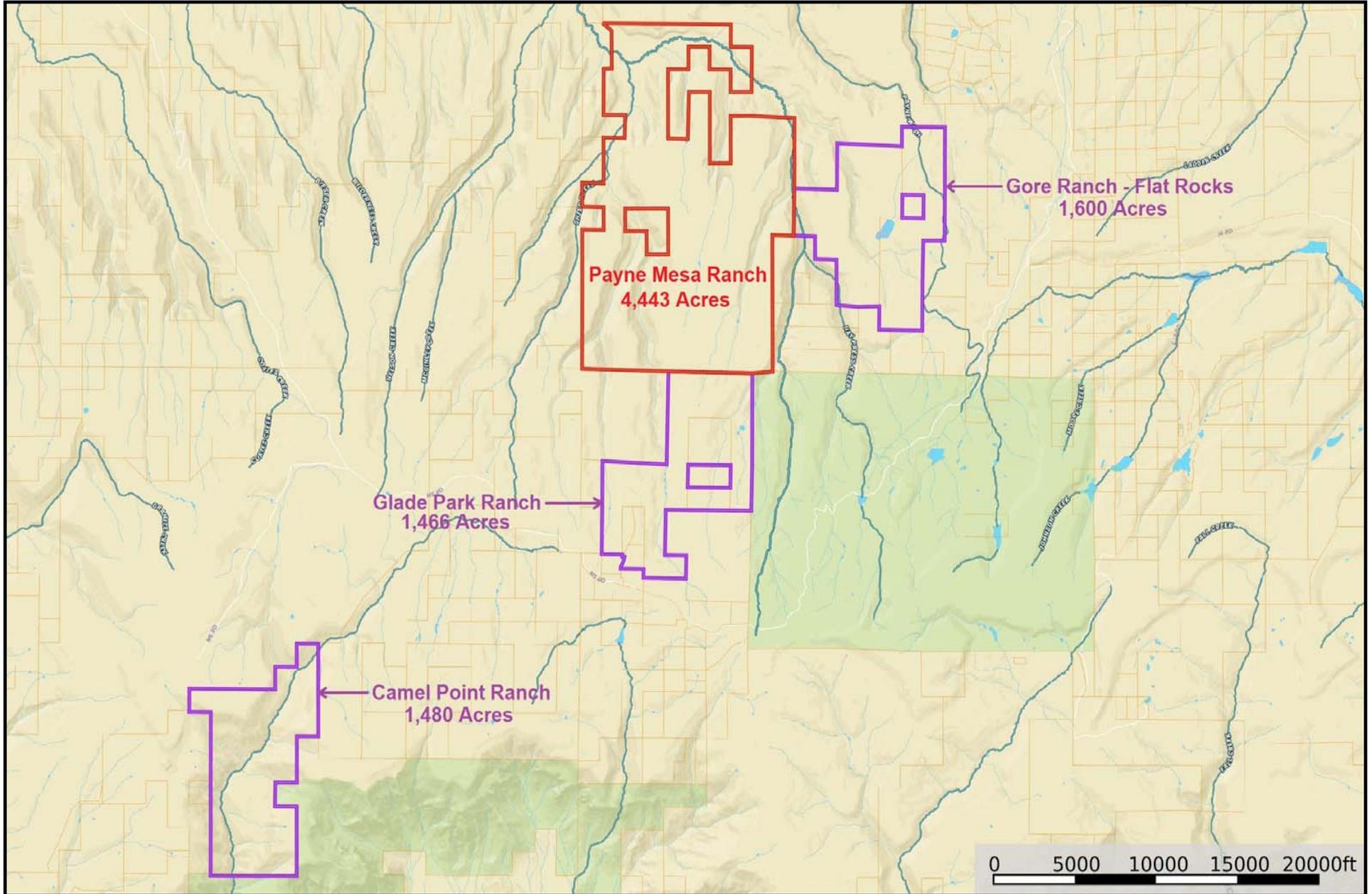
A conservation easement was placed with the State of Colorado in early-2005 (for the use and benefit of the Division of Wildlife), which extinguished all residential development rights on the entire property. While two Old Homestead cabins can be stabilized, maintained and restored for aesthetic or historic preservation purposes, they cannot be occupied for residential purposes. Only three new agricultural structures are allowed (such as corrals, loafing sheds, storage sheds and windbreaks), with each not to exceed 1,000 square feet in size. The conservation easement reduced the density of this site by 100%, as Mesa County zoning would have allowed the subdivided of this ranch into 126 residential lots with a minimum size of 35-acres.

In order to measure the loss in value due to the conservation easement, we analyzed the sale of three unencumbered ranches in the surrounding area. The details of these sales and a location map are included on the following pages.

Payne Mesa Ranch - Summary of Unencumbered Land Sales

Property Name - Location - APN	Date of Sale	Grantor - Grantee - Document No.	Adjusted Land Price	Land Size/ Acres	Price/Acre	Comparability - Adjustments	Overall Adjustment
Camel Point Ranch TBD Pinon Mesa 3219-282-00-054	11/30/2021 (Contract in Late-2019)	Camel Point Ranch, Inc. Kevin M. Keeling Revocable Trust 3009890 and 3009891	\$4,500,000	1,480.00	\$3,041	Similar - Downward adjustment for smaller size is offset by upward adjustment for inferior accessibility.	None
Glade Park Ranch TBD MS Road 3221-053-00-042 3221-071-00-006 3221-074-00-091 3221-074-00-092 3221-082-00-043 3221-181-00-093	6/7/2021 (Contract in Early-2018)	Gore Livestock, Inc. Whitetail Holdings, LLC 2984500	\$5,300,000 \$4,800,000	1,465.69	\$3,275	Slightly Superior - Downward adjustment for smaller size, being partially offset by an upward adjustment for inferior seasonal access from MS Road.	Slight Downward
Gore Ranch - Flat Rocks 4999 County Road 6 3211-223-00-012 3211-233-00-033	4/15/2016	Gore Livestock, Inc. Buck Ridge, LLC 2757175 and 2757176	\$6,300,000	1,600.00	\$3,938	Inferior - A significant downward adjustment for condition of sale, being acquired for a premium by an adjacent owner. Additional downward adjustment for smaller size. is offset by upward adjustments for changing market conditions and inferior Little Dolores River frontage.	Significant Downward
Payne Mesa Ranch TBD County 9.8 Road 3211-171-00-172	11/21/2019	Gore Livestock, Inc. Albert W. Carlson Trust 2903898 and 2903900	\$6,500,000	4,443.21	\$1,463		

PAYNE MESA RANCH COMPARABLE SALE MAP – AFTER SCENARIO



Land Sale 1 - The 1,480.00± acre Camel Point Ranch sold at the end of 2021 for \$4,500,000 or \$3,041/Acre, being a court appointed sale that originally went under contract on August 12, 2019. This property was actively marketed, with the listing broker reporting that the asking price was set by a prior, third-party appraisal. The roughly two-year delay in closing was due to the time needed to obtain clear title, which included problems with legal access. The buyer was willing to wait until these issues were resolved, acquiring this remote ranch for hunting purposes. This property is situated on the southwest rim of Pinyon Mesa, with a deep canyon of the North Fork of West Creek running lengthwise through the property. Also, portions of its east and south boundaries abut BLM land. Access is provided at the northwest corner of the site, which runs through a gated, private dirt road by an easement through the adjoining property. This ranch has a wide variety of terrain and foliage, with the West Creek providing water for an abundance of wildlife. It is noted that no contributory value was given to the three rustic cabins and two small sheds on this property.

The Camel Point Ranch is considered a very good comparable, with a downward adjustment for its smaller size being offset by an upward adjustment for its inferior accessibility. **Overall, these offsetting adjustments indicate that a \$3,041/Acre unit price is an excellent benchmark for the Payne Mesa Ranch.**

Land Sale 2 - The 1,465.69± acre Glade Park Ranch borders the PMR along its southern boundary, having sold in mid-2021 for a land only price of \$3,275/Acre; with a total price of \$5,300,000 being adjusted by \$500,000 for the contributory value of a rustic hunting lodge with four bedrooms. It is noted that the price was negotiated in early-2018, with the buyer leasing the property for three years before closing. This property has very similar features as the adjacent PMR, with parts of the Tommy Dodson and Payne Canyons traversing the site. Also, this property has minimal water rights, but features a spring fed trout lake and other springs and ponds that provides excellent wildlife habitat. While a downward adjustment for its smaller size is considered necessary, this is partially offset by a slight upward adjustment for its inferior seasonal access along MS Road. **Overall, a slight downward adjustment to a \$3,275/Acre unit price is indicated.**

Land Sale 3 - The 1,600.00± acre Gore Ranch - Flat Rocks property borders the PMR along its eastern boundary, having sold in early-2016 for \$6,300,000 or \$3,938/Acre. This unimproved ranch was acquired by the adjacent owner, who owns an eight parcel, 1,349.39± acre assemblage directly to the south (which abuts the Grand Mesa National Forest). According to the listing broker the buyer was highly motivated, as this acquisition greatly enhances access to their existing holdings. It is noted that the southern 520.00± acres of this property were placed under a conservation easement with the Mesa County Land Conservancy at the end of 2007, allowing the development of a cabin on each of the two tax parcels up to a maximum size of 2,000 square feet each. Also, given its division into two tax parcels (of 720.00 and 880.00± acres), each may be separately owned and sold but not further subdivided. Given the large size of ranches in this area, their desirability for recreational hunting use (i.e., more demand for off-grid cabins than permanent residences), and that the conservation easement encumbers only 32.5% of this property, it did not have a negative impact on price.

The Flat Rocks portion of the former Gore Livestock Ranch is also considered a very good comparable, although a significant downward adjustment for conditions of sale is warranted (with the listing broker reporting a market price for this land of roughly \$2,800/Acre). Like the other sales analyzed, while an additional downward adjustment for its smaller size is considered necessary, this is more than offset by upward adjustments for changing market conditions and inferior water features (having minimal Little Dolores River frontage compared to the PMR). **Overall, a significant downward adjustment to a \$3,938/Acre unit price is indicated.**

An analysis of all three comparable sales supports an unencumbered land value of \$3,000/Acre indicating a 51.2% loss in value from the Payne Mesa Ranch conservation easement.

Land Sale 5 - Skylark Ranch

The Skylark Ranch contains a total land area of 3,641.22± acres, being situated directly east of the Williams Fork Reservoir and County Road 3; roughly two miles south of Parshall and U.S. Highway 40 in rural Grand County. This ranch has year-round access from maintained County Road 340, consisting of foothills pasture with some aspen trees, but no irrigated land or live water. It has very good hunting and is used for cattle grazing in conjunction with federal permits. The property was listed for sale for \$2,548,000 for only a few weeks, being acquired by an adjacent owner for ranching and recreational use. The final price equates to \$700/Acre, with the listing broker reporting that another party was interested at the full asking price. Therefore, this is considered an arms-length transaction.

Conservation Easement Value Influence

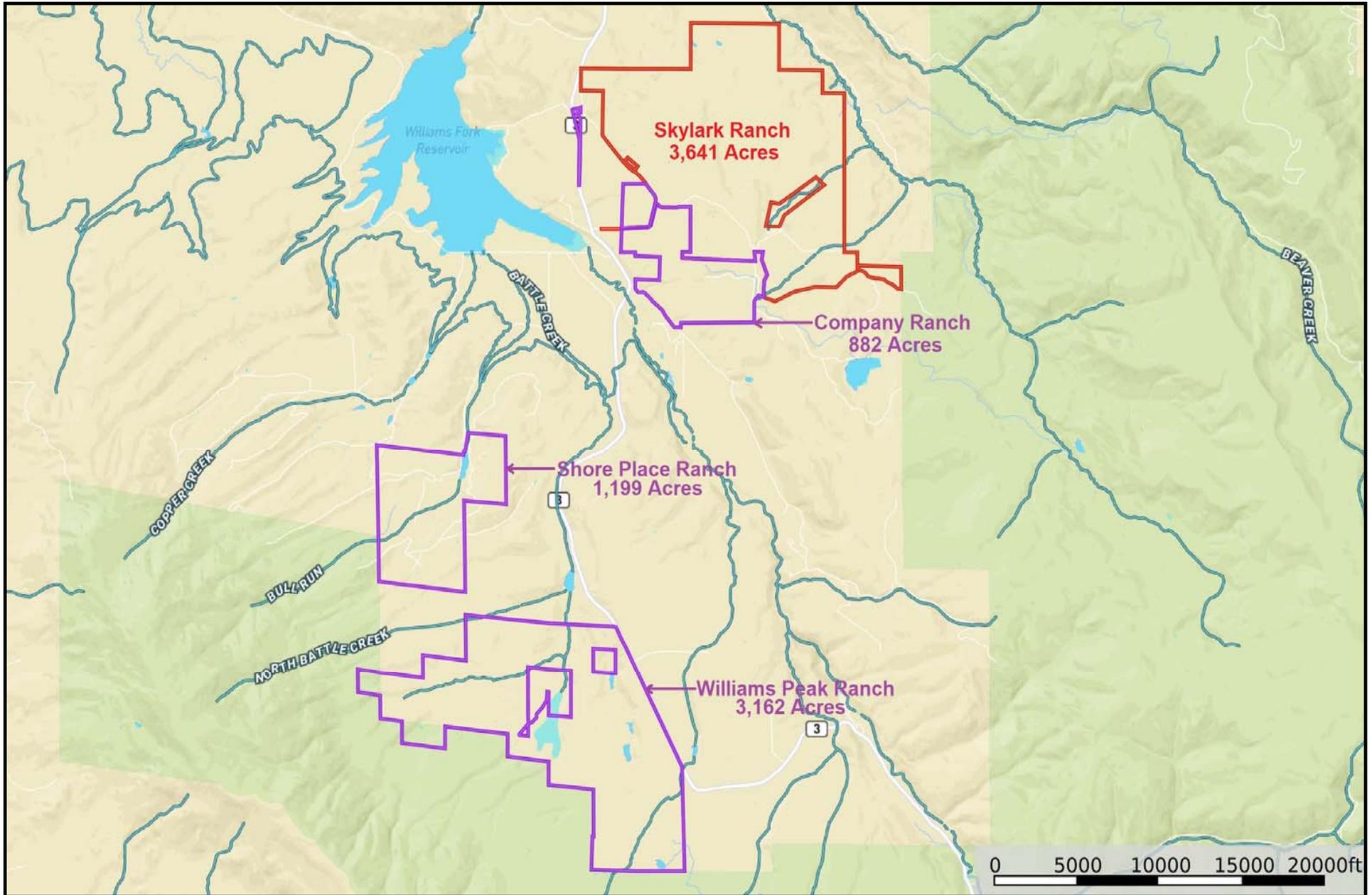
A conservation easement was placed with the State of Colorado on January 4, 1982 (on behalf of the Division of Wildlife), covering a much larger property containing 4,922.00± acres. This easement did not define any specific building envelopes, but allowed up to six residential structures mostly situated in the southern portion of the property. The allowed residences include up to three tri-plexes, two seasonal single-family residences and one permanent single-family residence. The land that includes the allowed residences can be sold separately, which has subsequently occurred. Therefore, 100% of the residential development rights have been extinguished on the remaining 3,641.22± acre Skylark Ranch.

In order to measure the loss in value due to the conservation easement, we analyzed the sale of three unencumbered ranches in the surrounding area. The details of these sales and a location map are included on the following pages.

Skylark Ranch - Summary of Unencumbered Land Sales

Property Name - Location - APN	Date of Sale	Grantor - Grantee - Document No.	Adjusted Land Price	Land Size/ Acres	Price/Acre	Comparability - Adjustments	Overall Adjustment
Williams Peak Ranch 10200 County Road 3 1595-234-00-066 1595-254-00-061 1595-361-00-001 1699-062-00-005	11/21/2017	Williams Peak Ranch Company Bull Run Ranch, LLC and Running Bull, LLC 2017009610 and 2017009611 2017009615 and 2017009616	\$9,500,000 \$8,500,000	3,162.13	\$2,688	Superior - Downward adjustments for superior national forest access, water rights and on-site pond.	Downward
Shore Place Ranch 962 County Road 331 1595-151-00-062	6/8/2015	Terry, Thomy and Karen Meier SPR-1,LLC 2015003810 and 2015003811	\$4,700,000 \$4,350,000	1,199.25	\$3,627	Vastly Superior - Varying downward adjustments for superior national forest access, water rights, and on-site water features is only partially offset by an upward adjustment for changing market conditions.	Significant Downward
Company Ranch 1955 County Road 340 1443-254-00-118 1445-311-00-001 1445-323-00-001 1593-061-00-073	1/27/2015	Williams Peak Ranch Co., Sylvan Land Water, LLC and MJM Enterprises, Inc. Company Ranch, LLC 2015000629 and 2015000630	\$1,662,500	882.54	\$1,884	Slightly Inferior - A downward adjustment for its much smaller size is more than offset by an upward adjustment for changing market conditions.	Slight Upward
Skylark Ranch 2525 County Road 340 1445-282-00-017 1445-324-00-002	10/26/2018	Skylark Cattle Company Company Ranch, LLC 2018008750	\$2,548,000	3,641.22	\$700		

SKYLARK RANCH COMPARABLE SALE MAP – AFTER SCENARIO



Land Sale 1 - The 3,162.13± acre Williams Peak Ranch sold at the end of 2017 for a land-only price of \$2,688/Acre; with a total price of \$9,500,000 being adjusted by \$1,000,000 primarily for a 3,037 square foot historic main house and 31,938 square foot riding arena built in 2004 (with two smaller homes, a barn and agricultural support buildings being in poor overall condition). This ranch is accessible from a good quality dirt road maintained year-round by the county, consists of a mixture of open meadows and rolling hills, and is bordered by the Arapaho National Forest along its entire southern boundary. Also, this property sold with water rights that allows for the irrigation of roughly 330.00± acres, and has a sizable pond capable of producing large fish. Based on these attributes, downward adjustments for its superior appeal (i.e., national forest accessibility and on-site pond) and water rights are considered necessary. **Overall, a downward adjustment to a \$2,688/Acre unit price is indicated.**

Land Sale 2 - The 1,199.25± acre Shore Place Ranch sold in mid-2015 for a land only price of \$3,627/Acre; with a total price of \$4,700,000 being adjusted by \$350,000 for the contributory value of a 3,460 square foot remodeled home (expanded from the original early 1900's homestead), garage, horse barn and workshop. This ranch is situated in a valley below the Williams Fork Mountains, with the western boundary abutting a 640.00± acre State Land Board site (under a gazing lease) and the Arapaho National Forest. This very scenic property offers very good big-game hunting, with senior water rights to irrigate roughly 300.00± acres of productive hay meadows and grazing pastures. Additional water resources include two miles of frontage along Bull Run Creek, which fills the 10-acre Bull Run Creek Reservoir (which is stocked for good trout fishing). Similar to Land Sale 1, downward adjustments for its superior national forest access and water rights have been made, which is partially offset by an upward adjustment for changing market conditions. However, an additional significant downward adjustment is required for its vastly superior water features. **Overall, a significant downward adjustment to a \$3,627/Acre unit price is indicated.**

Land Sale 3 - The 882.54± acre Company Ranch abuts the Skylark Ranch along portions of its west and south boundaries, being acquired by an adjacent owner at the beginning of 2015 for \$1,662,500 or \$1,884/Acre. This unimproved ranch has similar attributes as the Skylark Ranch, consisting primarily of dry cattle grazing land with no material water rights or live water features that is accessible year-round from unpaved County Roads 342 and 34. Given its much smaller size a downward adjustment for this factor is considered necessary, which is more than offset by an upward adjustment for changing market conditions. **Overall, a slight upward adjustment to a \$1,884/Acre unit price is indicated.**

An analysis of all three comparable sales supports an unencumbered land value of \$2,000/Acre indicating a 65.0% loss in value from the Skylark Ranch conservation easement.

Land Sale 6 - Knorr Lakeside Ranch

The is the late-2018 sale of the 505.15± acre portion of the 1,123.62± acre historic Knorr Lakeside Ranch, which is traversed by County Road 30 and sits on the southern shore of the Green Mountain Reservoir. This property is located in a fairly rural location, being 17 miles southeast of Kremmling and 23 miles northwest of Silverthorne in northern Summit County. It has year-round access from county roads, dry utility availability, favorable terrain, some timber, 1.5 miles of reservoir frontage, good mountain views and senior water rights. The entire ranch is in a generally natural and native state, being used for seasonal cattle grazing and mountain recreation. The land is zoned Agriculture by Summit County, which allows rural residential home sites at a maximum density of 20 acres with subdivision approval. A 56-home residential community and golf course had been envisioned by developers in the past.

The entire ranch was placed on the market in October of 2017 at an asking price of \$8,438,000. It was acquired by an adjacent ranching family on August 1, 2018 for an unencumbered price of \$7,000,000 or \$6,230/Acre, with the entire property being placed under a conservation easement just before closing. In a simultaneous transaction Summit County purchased northern Parcel C with 505.51± acres, paying an encumbered price of \$1,102,231 or \$2,180/Acre for open space purposes based on a third-party appraisal. In a separate transaction Summit County made a \$1,600,000 contribution to the Colorado Cattlemen's Agricultural Land Trust (CCALT) towards the acquisition of the conservation easement interest.

Conservation Easement Value Influence

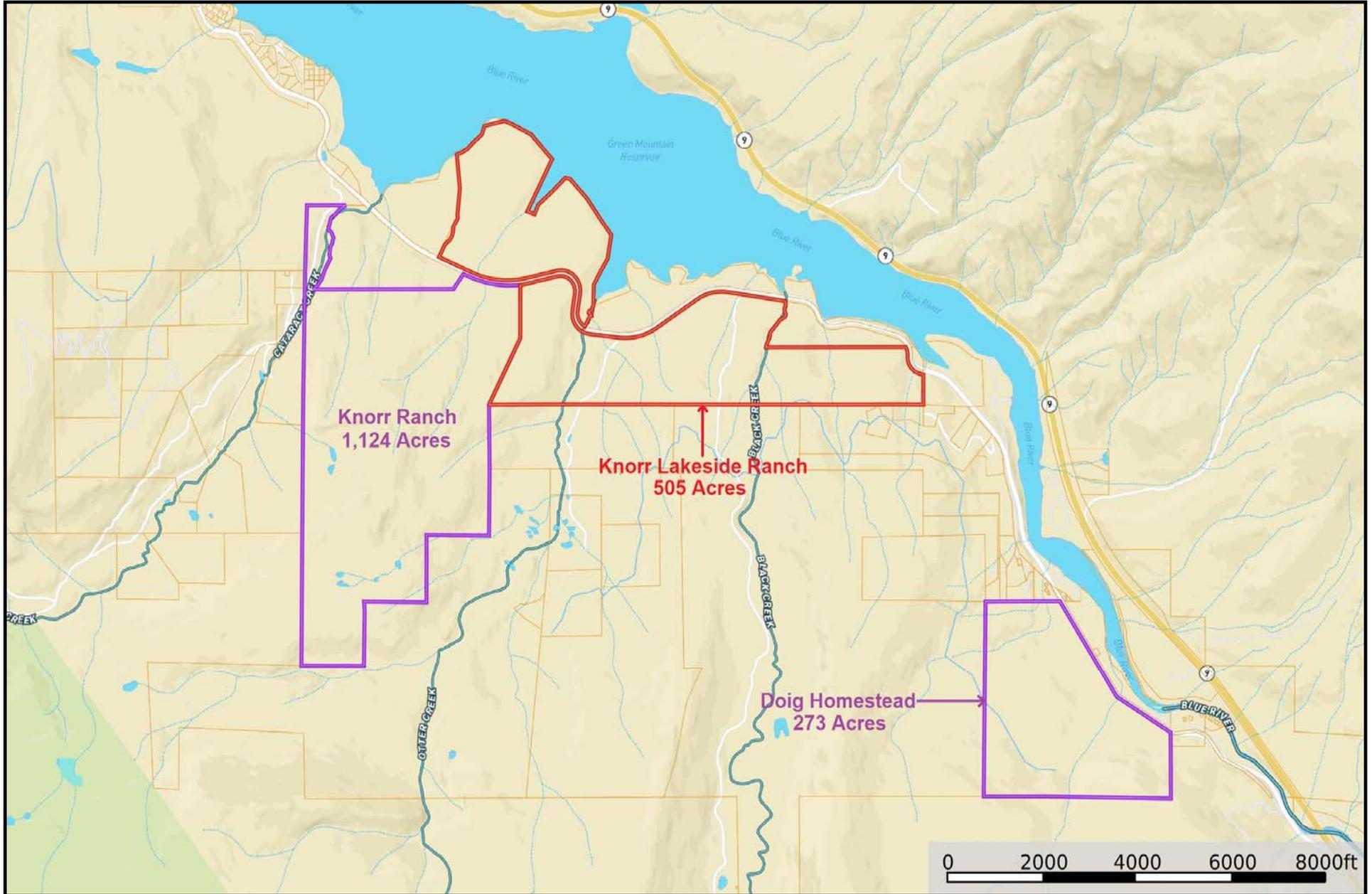
A conservation easement was placed with the Colorado Cattlemen's Agricultural Land Trust (CCALT) on August 1, 2018, which extinguished all residential development rights on the entire property. There is a single, 3.08± acre Camping Site situated at the far northern boundary of the property for primitive camping only. Within this site one platform up to 320 square feet for a seasonal tent, and up to two additional tents or temporary enclosed shelters up to 320 square feet each are allowed, but none may include indoor plumbing or can connect to any commercial water or electrical utility systems. The property may be subdivided into three separate parcels, with Parcel A having 105.00± acres, Parcel B having 513.11± acres (both constituting the western portion of the property to the south of County Road 30), and Parcel C having 505.11± acres (constituting the northern and eastern portions of the property, with the northern portion having Green Mountain Reservoir frontage).

In order to measure the loss in value due to the conservation easement, we analyzed the sale of two unencumbered properties in the immediate area. The details of these sales and a location map are included on the following pages.

Knorr Lakeside Ranch - Summary of Unencumbered Land Sales

Property Name - Location - APN	Date of Sale	Grantor - Grantee - Document No.	Adjusted Land Price	Land Size/ Acres	Price/Acre	Comparability - Adjustments	Overall Adjustment
Knorr Ranch TBD County Road 30 1697-1940-00-001 1697-3020-00-001	8/1/2018	Knorr Lakeside Ranch, LLC and R. Efton Foster Lower Blue Open Range, LLC 1176285 through 1176288, 1176292 and 1176293	\$7,000,000	1,123.62	\$6,230	Inferior - Upward adjustment for its larger size and inferior appeal, with Parcels A and B having no Green Mountain Reservoir frontage (equating to 55.0% of the land area).	Upward
Doig Homestead TBD County Road 30 1697-3430-00-003	9/15/2016	Knorr Lakeside Ranch, LLC Summit County Board of Commissioners 1121830 and 1121831	\$2,000,000	272.70	\$7,334	Superior - A downward adjustment for its smaller size is mostly offset by an upward adjustment for changing market conditions.	Slight Downward
Knorr Lakeside Ranch TBD County Road 30 1697-1940-00-001	8/1/2018	Lower Blue Open Range, LLC Summit County Board of Commissioners 1176300 through 1176302	\$1,102,231	505.51	\$2,180		

KNORR LAKESIDE RANCH COMPARABLE SALE MAP – AFTER SCENARIO



Land Sale 1 - This is the previously described acquisition of the unencumbered 1,123.62± acre Knorr Ranch for \$7,000,000 or \$6,230/Acre on August 1, 2018. It was acquired by an adjacent owner in an arms-length transaction, with both the buyer and seller being motivated to see that this property was not developed. While this sale includes the 505.51± acre Parcel C that was subsequently sold to Summit County, upward adjustment for its larger size and lack of reservoir frontage for Parcels A and B are considered necessary. **Overall, an upward adjustment to a \$6,230/Acre unit price is indicated.**

Land Sale 2 - This is the 272.70± acre Doig Homestead, a scenic tract located just west of State Highway 9 near the point where the Blue River enters into the Green Mountain Reservoir. This property was formerly part of the Knorr Ranch, has highly variable terrain and is traversed by Butler Gulch and Doig Gulch. Senior water rights from the Lillian Ditch allows for irrigation on roughly 100.00± acres of this property. Slopes build to the south and west, with brush on the lower reaches and a mixture of aspen, spruce, fir and pine on the higher elevations. There are good mountain and reservoir views from the upper portion of the property, with the southern boundary adjoining the Arapaho National Forest.

This property was originally listed for sale in June of 2015 at a \$3,495,000 asking price, which was lowered to \$2,750,000 in April of 2016 and \$2,000,000 in July of 2016. With the last price change it became affordable to Summit County, which had targeted the property for an open space acquisition for months. The county closed on the sale on September 15, 2016, using funds from its Open Space Program. Post closing it applied for a grant from Great Outdoors Colorado to help fund a portion of the acquisition. Given its smaller size a downward adjustment is considered necessary, which is mostly offset by an upward adjustment for changing market conditions. **Overall, a slight downward adjustment to a \$7,334/Acre unit price is indicated.**

An analysis of these two comparable sales supports an unencumbered land value of \$7,000/Acre indicating a 68.9% loss in value from the Knorr Ranch conservation easement.

Land Sale 7 - Clear W Ranch

The Clear W Ranch totals 548.08± acres, having been subdivided in mid-2007 into the 272.74± acre Clear W Ranch (western portion or Unplatted Parcel 2) and the 275.34± acre Wildcat Ranch, Lot 16 (eastern portion or Homestead 16). The topography of this assemblage slopes consistently downward from the east to west, with the elevation ranging from a high of 8,960 feet to a low of 7,880 feet along the Snowmass Creek. This creek flows through and along the western boundary of the property from south to north for roughly one mile. While the east side of the creek is covered by trees and natural shrubs, the west side between the creek and Snowmass Creek Road has some cleared grazing land. This property also has year-round accessibility from paved and maintained Snowmass Creek Road, good mountain views and no material water rights (despite being partially traversed by the Snowmass Creek).

These two properties were acquired together in two separate transactions between the same buyer and seller for \$14,750,000, with a price of \$2,000,000 or \$7,333/Acre reflecting the allocated value for the Clear W Ranch or western portion of the property.

Conservation Easement Value Influence

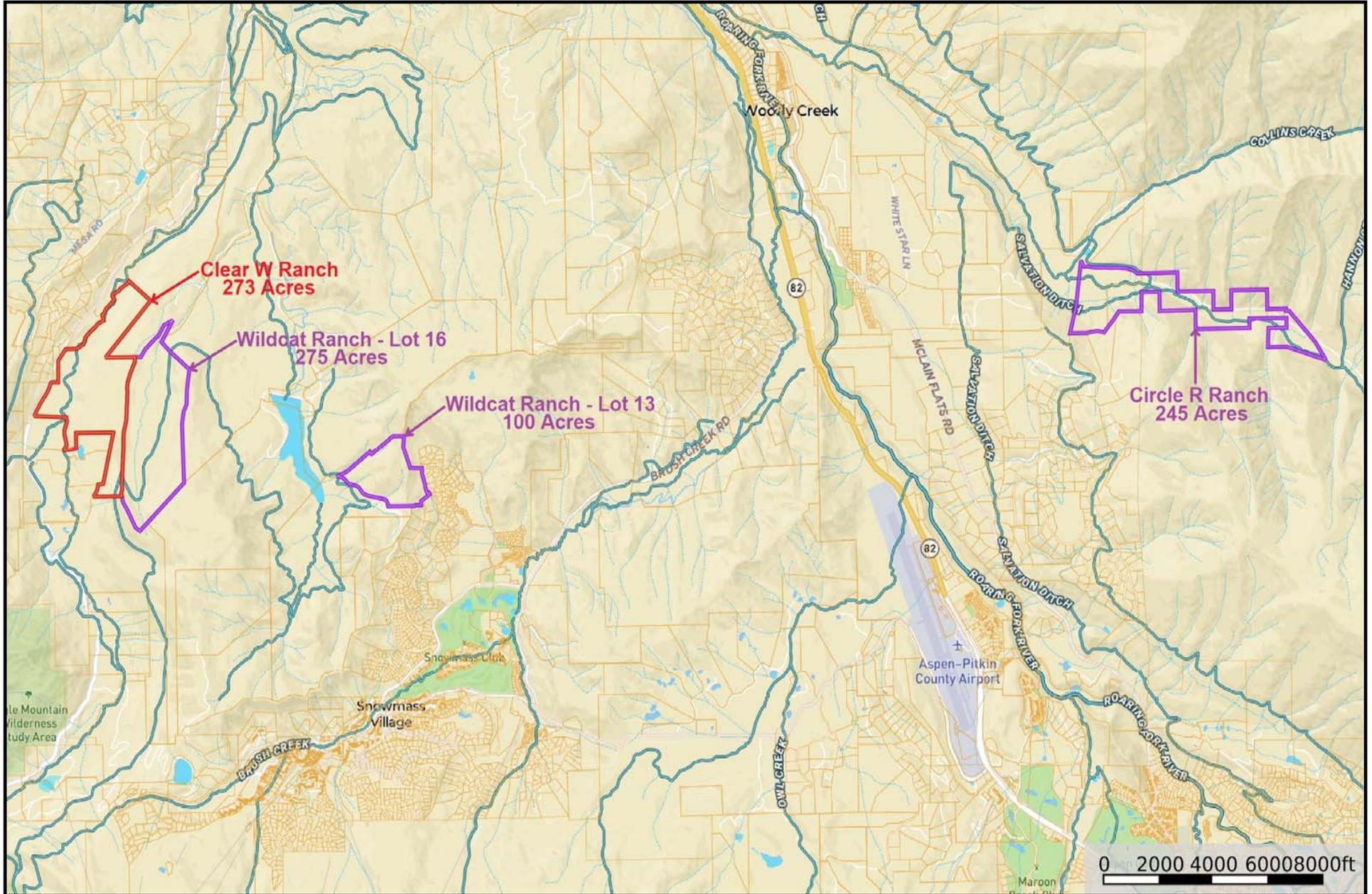
A conservation easement was placed with the Board of County Commissioners of Pitkin County on May 6, 2014, covering the 272.74±-acre Clear W Ranch or western portion of this property. At roughly the same time the eastern unencumbered Wildcat Ranch, Lot 16 portion of this property was annexed into the Town of Snowmass Village, while the Clear W Ranch portion was not annexed. This easement extinguished all development rights, with only conservation, wildlife habitat, agricultural and passive recreational uses being allowed.

In order to measure the loss in value due to the conservation easement, we analyzed the sale of three unencumbered properties in the immediate area. The details of these sales and a location map are included on the following pages.

Clear W Ranch - Summary of Unencumbered Land Sales

Property Name - Location - APN	Date of Sale	Grantor - Grantee - Document No.	Adjusted Land Price	Land Size/ Acres	Price/Acre	Comparability - Adjustments	Overall Adjustment
Wildcat Ranch - Lot 13 6480 Lake Wildcat Road 2645-254-10-002	4/16/2020	Perry Weitz Aslan At Wildcat, LLC 664259	\$4,900,000	100.03	\$48,986	Slightly Superior - A slight downward adjustment for its smaller size.	Slight Downward
Circle R Ranch 3448 Woody Creek Road 2643-234-01-001 2643-243-01-002 2643-244-01-003 2643-244-01-004	9/19/2018	Rosemary's Circle R Ranch East, LLC and Rosemary's Circle R Ranch West, LLC MM Rosemary Circle, LLC 650503 and 650504	\$14,280,000 \$9,850,000	244.57	\$40,275	Inferior - An upward adjustment for condition of sale, as this property sold at auction with limited exposure time.	Upward
Wildcat Ranch - Lot 16 1551 Popish Road 2645-262-00-001	7/9/2018	Clear W Ranch, LLC Popish, LLC 648674 and 648676	\$12,750,000	275.34	\$46,306	Similar - Price reflects the allocated value of the eastern, unencumbered portion of the Clear W Ranch.	None
Clear W Ranch TBD Snowmass Creek Road 2645-271-00-003	7/9/2018	Clear W Ranch, LLC Perpetual, LLC 648675 and 648677	\$2,000,000	272.74	\$7,333		

CLEAR W RANCH COMPARABLE SALE MAP – AFTER SCENARIO



Land Sale 1 - The 100.03± acre Wildcat Ranch, Lot 13 sold in early-2020 at the full asking price of \$4,900,000 or \$48,986/Acre after just over three months of marketing. While this site has fairly steep slopes, there is a functional building envelope that provides sweeping views of the Elk Mountain Range, Snowmass ski area and the 50-acre Wildcat Lake. This fully finished lot sold with no material water rights, being the last lot available for sale in this private subdivision. A slight downward adjustment is considered necessary for its smaller size. **Overall, a slight downward adjustment to a \$48,986/Acre unit price is indicated.**

Land Sale 2 - The 244.57± acre Circle R Ranch sold in late-2018 for a land only price of \$40,275/Acre; with a total price of \$14,280,000 being adjusted by \$4,430,000 for the contributory value of extensive improvements having a combined area of 22,165 square feet (which includes 11,769 square feet of residential improvements in six houses). This property sold with good water rights (including seven separate wells), buried utility lines and a fire suppression system. It has year-round access from county maintained Woody Creek Road, and extensive frontage along Woody Creek. The seller filed for bankruptcy protection in 2015, with this ranch originally listed in mid-2017 for \$59.5 million. The asking price was reduced to \$29.9 million in mid-2018, finally selling at auction with just four weeks of exposure with a \$10.0 million reserve price. Because the final selling price reflected a liquidation value, an upward adjustment for conditions of sale is warranted. **Overall, an upward adjustment to a \$40,275/Acre unit price is indicated.**

Land Sale 3 - Reflects the sale of the eastern, 275.34± acre Wildcat Ranch, Lot 16 portion of this property. Due to its similar location, size and physical attributes, an allocated unit price of \$46,306/Acre reflects an excellent benchmark for the Clear W Ranch on an unencumbered basis. **Therefore, no adjustment to a \$46,306/Acre unit price is indicated.**

An analysis of all three comparable sales supports an unencumbered land value of \$46,000/Acre, indicating an 84.1% loss in value from the Clear W Ranch conservation easement.

Land Sale 8 - Windstar Ranch

The Windstar Ranch totals 957.43± acres, being situated directly north of the Clear W Ranch along the west side of Snowmass Creek Road. This is a somewhat unusual property, being improved with offices that were previously occupied by the Rocky Mountain Institute (which relocated to Basalt). These offices had a modest contributory value of \$400,000, indicating an early-2013 land only unit price of \$8,982/Acre. This ranch has historically been used for open space and public trail access, with the topography ranging from generally level at the northern edge of the property to steeply sloping on the southern half of the site. Roughly 200.00± acres consist of irrigated hay ground, with the remainder of the site mostly covered with sage brush. Year-round access is provided by Snowmass Creek Road, with buried utility lines serving the existing improvements.

Conservation Easement Value Influence

A conservation easement was placed with the Aspen Valley Land Trust and Board of County Commissioners of Pitkin County on December 30, 1996, covering 926.68± acres or 96.8% of this property. Per survey a 30.75± acre Building Envelope at the far northern portion of the property was retained, which although outside of the area under easement, includes specific development restrictions within the recorded CE deed. The easement allows for the construction of one new residential building not to exceed 25,000 square feet for up to twenty employees, which is to be built in the immediate vicinity of the existing two small office buildings and two small maintenance buildings; all of which were allowed to be retained. However, no construction of any structures or roads is allowed within the remaining 926.68± Conservation Area.

It is noted that although an employee housing structure is allowed, its construction must be approved by Pitkin County and be in full compliance with their land use codes. The history of potential development on this property is very long, with an initial resolution approved in 1979 allowing “an educational and research institute” with an approved campus with up to 40,000 square feet of buildings, including housing for up to twenty Windstar employees and their families. This resolution passed in exchange for agreeing to maintain roughly 927.00± acres as public open space, which was an explicit quid pro quo. In 2004 the Rocky Mountain Institute (RMI) proposed expanding their campus in line with the 1979 county approvals (proposing 20,700 square feet of office space, 4,300 square feet of maintenance space and 15,000 square feet of housing for twenty employees), but never moved forward due to the strong opposition from neighbors and the Snowmass Capitol Creek Caucus (which deemed the RMI plan inconsistent with its recently completed master plan). While RMI submitted a revised plan that reduced the project density to 14,000 square feet of office space, 3,000 square feet of maintenance space and 7,500 square feet of housing space for up to ten employees, no development ever occurred.

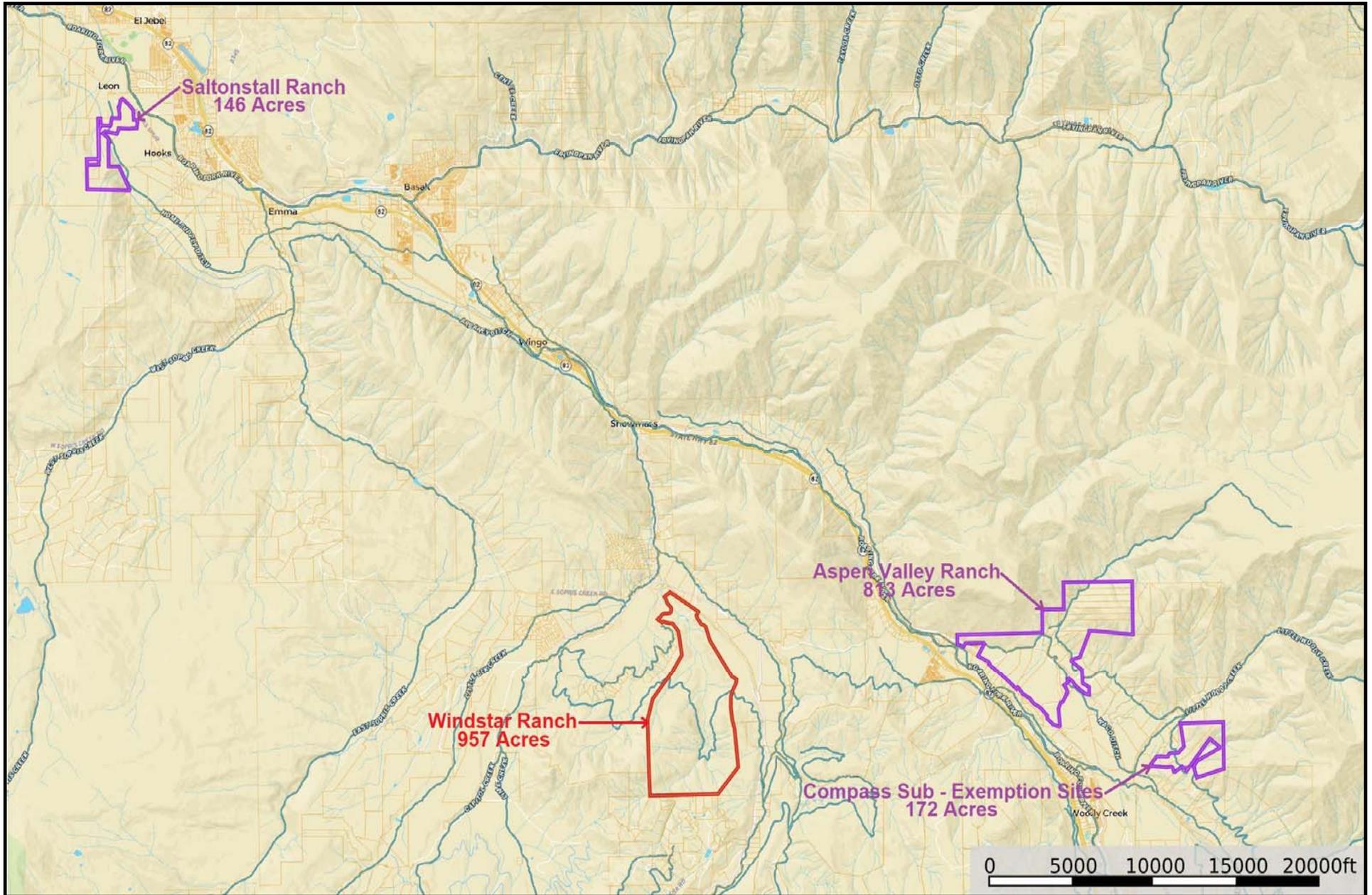
As part of the sale of this property in 2013 the Windstar Foundation and RMI expected to gain approval from Pitkin County to allow the construction of one single-family home with a maximum size of 8,500 square feet within the 30.75± acre Building Envelope. However, the sale closed without this approval being given. Therefore, private ownership will now determine how the unencumbered portion of this property will be used, with its RS-30 zoning allowing one residential structure and associated ancillary buildings. Therefore, the conservation easement reduced the allowable density by 96.8%, or from thirty-one to one potential 30-acre lots.

In order to measure the loss in value due to the conservation easement, we analyzed the sale of three unencumbered properties in the immediate area. The details of these sales and a location map are included on the following pages.

Windstar Ranch - Summary of Unencumbered Land Sales

Property Name - Location - APN	Date of Sale	Grantor - Grantee - Document No.	Adjusted Land Price	Land Size/ Acres	Price/Acre	Comparability - Adjustments	Overall Adjustment
Aspen Valley Ranch 130 - 795 Aspen Valley Ranch Rd. 22 Parcel Numbers	8/30/2013	AVR Real Estate Solutions, LLC AVR AH, LLC 603049 and 603050	\$27,000,000 \$21,000,000	813.38	\$25,818	Similar - A significant upward adjustment for condition of sale (due to bank foreclosure) is generally offset by downward adjustments for superior water rights and appeal; being adjacent to extensive public lands.	None
Saltonstall Ranch 794 Hooks Spur Road 2465-102-01-001 2465-103-01-001	1/28/2013	1/2 As Ranch Holdings, LLC BOCC of Pitkin County 201301850 and 201301851	\$5,000,000	145.86	\$34,279	Superior - Downward adjustments are required for its considerably smaller size, superior water rights and appeal; being adjacent to extensive public lands.	Significant Downward
Compass Sub. - Exemption Sites 15 and 30 Little Ditch Road 2643-104-01-001 2643-104-01-002	7/29/2011 5/30/2012	Compass For Lifelong Discovery WCCP1, LLC and WCCP2, LLC 581546 and 581547 589438 and 589439	\$6,000,000	172.13	\$34,858	Superior - Downward adjustments are required for its considerably smaller size and appeal; being adjacent to extensive public lands.	Significant Downward
Windstar Ranch 2317 Snowmass Creek Road 2645-031-00-004	4/29/2013	Windstar Land Conservancy Five Valley Farm, LLC 599101 and 599103	\$9,000,000 \$8,600,000	957.43	\$8,982		

WINDSTAR RANCH COMPARABLE SALE MAP – AFTER SCENARIO



Land Sale 1 - The 813.38± acre Aspen Valley Ranch sold in late-2013 for a land only price of \$25,818/Acre; with a total price of \$27,000,000 being adjusted by \$6,000,000 for the contributory of a high-end custom home and horse barn completed in 2009. Although a 35-acre lot subdivision was approved in mid-2005, the buyer acquired this property for family compound use. It is noted that this is a foreclosure sale, with Alpine Bank taking back the property at the end of 2012 due to loan default. Also, this property has extensive water rights in the Waco and Salvation Ditches that historically flood irrigated approximately 230.00± acres in the southern portion of this property, with additional storage rights in seven on-site ponds. This property also is adjacent to BLM and National Forest land along its entire northern boundary and a portion of its southern boundary. Therefore, a significant upward adjustment for conditions of sale is generally offset by downward adjustments for its superior water rights and accessibility to adjacent public lands. **Overall, these offsetting adjustments indicate that a \$25,818/Acre unit price is an excellent benchmark for the Windstar Ranch.**

Land Sale 2 - The 145.86± acre Saltonstall Ranch sold in early-2013 for \$5,000,000 or \$34,279/Acre, being an unimproved ranch with senior water rights in the Home Supply Ditch that irrigates roughly 65.00± acres. While the northeast portion of the property consists of level farmland, roughly 55% of the site consists of steep hills. This ranch is situated just west of Basalt, having year-round access from unpaved but maintained Hooks Spur Road. Also, this ranch abuts U.S. Forest Service land along portions of its west and south boundaries, and was acquired in a joint venture between Pitkin County and Great Outdoors Colorado for open space purposes. Varying downward adjustments for its considerably smaller size, superior water rights and accessibility to adjacent public lands. **Overall, a significant downward adjustment to a \$34,279/Acre unit price is indicated.**

Land Sale 3 - Reflects the purchase of the two Exemption Parcels in the Compass Subdivision, which have a combined land area of 172.13± acres. Both parcels were placed under contract by the same buyer for \$6,000,000 or \$34,858/Acre, with closing on Exemption Parcel 1 occurring in mid-2011. Closing on Exemption Parcel 2 was delayed for nearly eleven months for "technical reasons," but the listing broker could not remember what the issue was. Together this a very odd assemblage, generally forming a "U" around a separately owned 42.56± acre parcel. This assemblage is situated directly southeast of the Aspen Valley Ranch, being accessible from Little Ditch Road just off Woody Creek Road. This assemblage has varied topography, minimal water rights from the Clavel Ditch and Salvation Ditch Company, access to National Forest land along its eastern boundary, and excellent mountain and ski area views. Similar to Land Sale 2, downward adjustments for its considerable smaller size and superior accessibility to adjacent public lands are required. **Overall, a significant downward adjustment to a \$34,858/Acre unit price is indicated.**

An analysis of all three comparable sales supports an unencumbered land value of \$25,000/Acre, which indicates a 64.1% loss in value from the Windstar Ranch conservation easement.

Fair Market Value Conclusion - Before Scenario

As discussed previously, while the number of properties that sell subject to conservation easements is relatively small, the number of properties that sell with all development rights being extinguished is extremely rare.

The eight highly restricted CE encumbered sales indicated a relatively broad range of estimated reductions in value from 51.2% to 88.1%, averaging 65.9%. However, the low and high indicators indicated by Land Sales 1 and 2 reflect atypical motivations by either the buyer or seller, with these sales given significantly less consideration in valuing the subject. Also, Land Sale 4 reflects an extremely large ranch situated in a remote location with low development pressure, with its significantly larger size correlating to a much lower loss in value of 51.2%. Finally, the much higher 84.1% loss in value indicated by Land Sale 7 reflects an extremely desirable site in Snowmass under extreme development pressure, being partially situated in a trophy ranch subdivision with high-end amenities. Therefore, the indicated loss in value is much higher than would be indicated for the subject.

The remaining sales indicate a much narrower loss in value range from 64.1% to 68.9%, with most being situated in more rural locations like the subject. The lone exception is Land Sale 8, which is also situated in the highly desirable Snowmass area, but allows a 30-acre building envelope that was supposed to be developed for employee housing for the Rocky Mountain Institute. Therefore, the indicated loss in value is much lower than was estimated for Land Sale 7, which extinguished all development rights. Given the subject's more remote location it is situated in an area with lower development pressure. Also, its seasonal accessibility further limits its development potential, which is somewhat offset by having direct access to a vast amount of public BLM land (making the subject more desirable for hunting use). Based on these attributes, **an indicated loss in value at the low-end of the comparable sales range is considered reasonable.**

Based on an analysis of highly restricted encumbered land sales, **a 60.0% loss in value to the subject's unencumbered fee simple interest is considered reasonable.** Therefore, the Fair Market Value of the subject CFOP, on an encumbered basis after placement of the Willow Creek Property conservation easement, as of October 31, 2025, is as follows:

Willow Creek Property Diminution in Value Method		
	Low	High
Before Value - Land Only	\$380,000	
CE Reduction in Value	57.5%	62.5%
After Value - Land Only	\$161,500	\$142,500
Concluded Fair Market Value	\$150,000	
After Value - Per Acre	\$1,500	
Percent Diminution in Value	60.5%	

Additional Value Support - Price Per Acre Basis

The encumbered sales indicate an unadjusted unit price range from approximately \$500 to \$9,000/Acre, which again reflects their broad mix of property types, sizes, locations and development pressures. Although the subject CFOP is a relatively small property with 100.00± acres, ***its remote location, seasonal accessibility, lack of water rights and on-site water features indicate that a unit price at the very low-end of the sales range or roughly \$1,500 per acre is reasonable.***



In estimating the Fair Market Value of the subject CFOP in the After scenario (after the placement of the highly restrictive Willow Creek Property conservation easement), only the sales comparison approach was utilized. We analyzed comparable encumbered land sales on a price per acre basis, extracting loss factors from similarly restricted properties (a.k.a., the diminution in value method). Because the subject CE prohibits subdivision and development, the subdivision development approach is not applicable on an After basis. Also, as vacant land the cost and income capitalization approaches were not applicable to this assignment.

The indicated Fair Market Value from our selected valuation approaches is summarized in the following table.

Willow Creek Property Summary of Fair Market Value Conclusions After Scenario - October 31, 2025	
Valuation Approach	Indicated Value
Cost Approach	Not Applicable
Sales Comparison Approach	Additional Support
Income Capitalization Approach	Not Applicable
Subdivision Development Approach	Not Applicable
Diminution in Value Method	\$150,000
Fair Market Value - After Scenario	\$150,000

Conclusion - After Scenario

Based upon the data, analyses and reasoning presented previously in this report, our opinion of the "As Is" Fair Market Value of the subject on an After basis, as of October 31, 2025, is reconciled as follows:

Willow Creek Property Fair Market Value Conclusion - After Scenario					
Description	Acres	Status	Date of Value	Interest	"As Is" Fair Market Value
"After" Conservation Easement Fair Market Value	100.00	Improved	10/31/2025	Fully Encumbered Surface Rights	\$150,000

Valuation of the Conservation Easement

VALUATION OF THE CONSERVATION EASEMENT



In estimating the Fair Market Value of the Willow Creek Property conservation easement, the subject was analyzed on both a Before and After basis. Consequently, the difference between the Fair Market Value of the subject Before placement of the conservation easement and the Fair Market Value After placement represents the estimated loss in value as a result of the conservation easement.

Based upon the data, analyses and reasoning contained in the attached report, the "As Is" Fair Market Value of the Willow Creek Property conservation easement, as of October 31, 2025, is estimated as follows:

Willow Creek Property Fair Market Value Conclusion - Conservation Easement			
Description	Date of Value	Interest	"As Is" Fair Market Value
Before Conservation Easement	10/31/2025	Unencumbered Surface Rights	\$380,000
After Conservation Easement	10/31/2025	Encumbered Surface Rights	\$150,000
"As Is" Conservation Easement	10/31/2025	Conservation Easement	\$230,000



The IRS Enhancement Rule requires a taxpayer to consider any enhancement to the value of any other property owned by the donor or a “related person” resulting from the conservation easement. The amount of the conservation contribution deduction is reduced by the amount of the increase in the value of the other property, whether or not that other property is contiguous. Treas. Reg. § 1.170A-14(h)(3)(I).

We confirmed that although the Gunnison Legacy Fund, which operates as the Gunnison Ranchland Conservation Legacy, owns several other properties in Gunnison County, they are all situated a minimum of twelve miles northeast of the subject CFOP. Based on the preceding and given that no family members associated with the Gunnison Legacy Fund own any adjacent property, no potential enhancement in value has occurred by the placement of the Willow Creek Property conservation easement.



The *Uniform Standards of Professional Appraisal Practice (USPAP)* defines **exposure time** as:

An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.⁵

USPAP Advisory Opinion 35 (AO-35) indicates that exposure time is different for various types of property and under various market conditions and is dependent on the characteristics of the subject property as of the effective date. The overall concept of reasonable exposure encompasses not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable effort. Also, exposure time is always presumed to occur prior to the effective date of the appraisal and is an integral part of the analysis conducted during the appraisal assignment. Sources that may be relied upon include one or more of the following:

- Statistical information about days on market;
- Information gathered through sales verification;
- Interviews with market participants; and
- Information from data collection services

The reasonable exposure period is also a function of price, time and use, and may be expressed as a range (e.g., 90 to 120 days) or a specific number (e.g., 6 months).

Market Context

The Gunnison County market is a major mountain destination in Colorado, with numerous outdoor attractions drawing a diverse group of visitors from throughout North America and beyond. Because it has such broad appeal, this market did not suffer a decline during the COVID 19 pandemic, with the demand for quality single-family residences, vacant land and rural ranches actually increasing. While it's noted that the subject's attributes for ongoing agricultural and recreational uses are considered average, given a limited supply of properties available for sale, its exposure period would likely be short.

Conclusion

Our analysis of comparable land sales and discussions with real estate brokers indicates increasing exposure times recently, which is due mostly to unreasonable price expectations. Because ongoing high interest rates have impacted all but the most affluent buyers in this market, the rapid price appreciation that occurred during the 2000 through 2022 period has ceased. However, if priced reasonably, there would be ample demand for the subject if placed on the market today. Considering both the macro context of the real estate market in general, as well as the micro aspects of the subject in particular, the reasonable exposure time inherent in the estimated Fair Market Value is **nine to twelve months**.

⁵ The Appraisal Foundation, *Uniform Standards of Professional Appraisal Practice (USPAP)*, 2020-2023 Edition, (Washington, DC: The Appraisal Foundation, 2020), 4.



This appraisal report is subject to the following assumptions and limiting conditions:

1. This appraisal is not contingent on any extraordinary assumptions, but is based on the hypothetical condition (i.e., assumed to be true) that the subject was not encumbered by the recorded Deed of Conservation easement in the before condition.
2. No responsibility is assumed for matters of a legal nature affecting title to the property, nor is an opinion of title rendered. The title is assumed to be good and merchantable and held by the owner of record. The subject has been appraised as if free and clear of all liens and encumbrances, except for the recorded Deed of Conservation easement and permitted exceptions from a recent title insurance commitment.
3. The opinion of value assumes responsible ownership and competent management.
4. No survey of the property has been made by the appraiser and no responsibility is assumed in connection with such matters. The legal description and land areas used in this report are assumed to be accurate, being based on available surveys or county assessor records.
5. Any non-severable water or mineral rights are assumed to run with the land, and their contributory value was not separately allocated, but are included in the opinion of value.
6. Opinions, estimates and other information furnished by others are assumed to be true, correct and reliable. While a reasonable effort has been made to verify such information; no responsibility for its accuracy is assumed by the appraiser.
7. Any maps, sketches, photographs and other illustrative exhibits in this report are included only to assist the reader in visualizing the property, and no responsibility is assumed for their accuracy.
8. It is assumed that there are no hidden or unapparent conditions of the property, subsoil or structures which would render them more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
9. Unless otherwise stated in this report, the appraiser was not made aware of and did not observe the existence of any hazardous materials or waste, pollutants, leaking underground storage tanks, agricultural chemicals, or other toxic or hazardous conditions on or in the property. The appraiser has no knowledge of the existence of any hazardous substances or conditions that could negatively affect the value of the property and is not qualified to detect them. The opinion of value is predicated on the assumption that there are no hazardous materials, substances or conditions on or in the property, or in proximity thereto, that it would cause a loss in value.
10. Unless otherwise stated in this report, the appraisal assignment is for the real estate only, and excludes any items of movable personal property such as furnishings and equipment.

11. Possession of this report, or a copy thereof, does not carry with it the right of publication. This report may not be used for any purpose by any person or party, other than the intended users that it was prepared for, without the written consent of the appraiser.
12. Neither all or any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent and approval of the appraiser.
13. The appraiser reserves the right to amend or alter statements, analyses, conclusions and opinions of value if new information or facts pertinent to this assignment are made known to us after the completion of the report.
14. The appraiser is not required to give testimony or appear in court regarding this appraisal or in reference to the property in question, unless previous arrangements have been made.



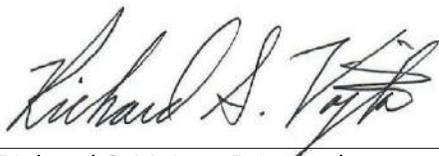
I certify that, to the best of our knowledge and belief:

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 present or prospective interest in the property that is the subject of this report and no personal interest 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 with 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. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* (USPAP), and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
8. I have made a personal inspection of the property that is the subject of this report.
9. Other employees of Terra Firma Consulting, including Dee Vojta, provided assistance with the market area/analysis sections of this report. Otherwise, no one provided significant real property appraisal assistance to the person signing this certification.
10. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
11. I am currently a Certified General Real Estate Appraiser in the State of Colorado.
12. I am a qualified appraiser, and this is a qualified appraisal as defined in Treasury Regulation 1.170A-13, and I declare that:
 - I hold myself out to the public as an appraiser and perform appraisals on a regular basis.
 - Because of my qualifications, education and experience as described within this report, I am qualified to make appraisals of the type of property being valued.

- I am not the owner/donor, the grantee/donee, a party to the transaction in which the owner/donor acquired the property, employed by, married to, related to, as well as an appraiser regularly used by any of the foregoing persons.
 - I understand that an intentionally false or fraudulent overstatement of the value of the property described in this qualified appraisal or Form 8283 may subject me to a civil penalty under section 6701 for aiding and abetting an understatement of tax liability, and, moreover, I may have appraisals disregarded.
 - The fee charged for this appraisal is not based on a percentage (or set of percentages) of the appraised value of the property.
13. Per Treasury Regulation 1.170A-17, I further declare that:
- I understand that my appraisal will be used in connection with a return or claim for refund and was prepared for income tax purposes.
 - I also understand that, if there is a substantial or gross valuation misstatement of the value of the property claimed on the return or claim for refund that is based on my appraisal, I may be subject to a penalty under section 6695A of the Internal Revenue Code, as well as other applicable penalties.
 - I affirm that I have not been at any time in the three-year period ending on the date of the appraisal barred from presenting evidence or testimony before the Department of the Treasury or the Internal Revenue Service pursuant to 31 U.S.C. 330(c).
14. Granting the conservation easement did not have the effect of increasing the value of any other property owned by the donor or a related person. Also, other than state tax credits and potential income tax benefits, neither the donor or a related person has or expects to receive any financial or economic benefits from granting the conservation easement (i.e., no quid pro quo).
15. In my opinion, as of October 31, 2025, the Fair Market Value of the CFOP before conveyance of the partial interest is \$380,000 and the Fair Market Value of the CFOP after conveyance of the partial interest is \$150,000; i.e., **the conservation easement value is \$230,000.**

Respectfully submitted,

TERRA FIRMA CONSULTING, LLC



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