

MARKET VALUE APPRAISAL

Thirty-Four (34) parcels located within the subdivisions

**Tok Triangle II ASLS 2007-15
Glenn Subdivision ASLS 81-205**



Glenn Subdivision.

APPRAISAL REPORT No. 3642-0

**STATE OF ALASKA
Department of Natural Resources
Division of Mining, Land & Water
550 West Seventh Avenue Suite 650
Anchorage, AK 99501-3576**

MEMORANDUM

State of Alaska

Department of Natural Resources
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Division of Mining, Land & Water
550 West 7th Avenue, Suite 650
Anchorage AK 99501-3576

DATE: December 19th, 2012

TO: Kevin Hindmarch
Review Appraiser

FROM Johnthomas Williamson 
Appraiser

SUBJECT: Appraisal of thirty-four (34) parcels near Tok within Tok Triangle II and, Glenn Subdivisions.

As requested, I have completed an appraisal of the above referenced parcels, and understand that this appraisal will be used to determine a minimum purchase price for a sealed bid auction. I am submitting this report for your review and approval.

The appraisal was completed in accordance with the "Uniform Standards of Professional Appraisal Practice" of the Appraisal Foundation and in accordance with the Special Appraisal Instructions, DNR. This is a summary report based on the General Assumptions and Limiting Conditions stated in the report, as well as the facts, analyses, and reasoning leading to the opinions of value.

I have inspected all of the subject parcels and all of the comparable sales used in this report.. Physical descriptions of the subject parcels were based on inspections, aerial photography, topographic maps, peer appraisal reports, interviews with realtors and various individuals familiar with the area. Based on these observations and analyses of all available data, I have formed an opinion of the market values as of the effective date of value.

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APPRAISAL SUMMARY

Location and Legal Description

Tok Triangle II Subdivision is located approximately two miles southwest of Tok within Section 35, Township 18 North, Range 12 East of the Copper River Meridian.

Glenn Subdivision is located approximately 5 miles south of Tok within Section 11, Township 17 North, Range 12 East of the Copper River Meridian.

Specific legal descriptions are included within the table below:

SUMMARY OF VALUES

ADL	Subdivision	Lot	Block	ASLS	Acres	Value (Rnd)	Date of Value
418385	Glenn	10	7	81-205	5	\$8,400	8-1-2012
418386	Glenn	11	7	81-205	5	\$8,000	8-1-2012
418387	Glenn	12	7	81-205	5	\$8,000	8-1-2012
418388	Glenn	13	7	81-205	5	\$8,000	8-1-2012
418357	Glenn	4	6	81-205	5.00	\$8,400	8-1-2012
418358	Glenn	5	6	81-205	5.00	\$8,400	8-1-2012
418359	Glenn	6	6	81-205	5.00	\$8,400	8-1-2012
418360	Glenn	7	6	81-205	5.00	\$8,400	8-1-2012
418361	Glenn	8	6	81-205	5.00	\$8,400	8-1-2012
418362	Glenn	9	6	81-205	5.00	\$8,400	8-1-2012
418363	Glenn	10	6	81-205	5.00	\$8,000	8-1-2012
418364	Glenn	11	6	81-205	5.00	\$8,000	8-1-2012
418365	Glenn	12	6	81-205	4.99	\$8,000	8-1-2012
418366	Glenn	13	6	81-205	5.00	\$8,000	8-1-2012
418367	Glenn	14	6	81-205	5.00	\$8,000	8-1-2012
418368	Glenn	15	6	81-205	5.00	\$8,000	8-1-2012
418369	Glenn	16	6	81-205	5.00	\$8,000	8-1-2012
418370	Glenn	17	6	81-205	5.00	\$8,000	8-1-2012
418371	Glenn	18	6	81-205	5.00	\$8,000	8-1-2012

ADL	Subdivision	Lot	Block	ASLS	Acres	Value (Rnd)	Date of Value
418372	Glenn	19	6	81-205	4.99	\$8,000	8-1-2012
418373	Glenn	20	6	81-205	5.00	\$8,000	8-1-2012
418374	Glenn	21	6	81-205	4.99	\$8,000	8-1-2012
418375	Glenn	22	6	81-205	4.99	\$8,700	8-1-2012
418413	Glenn	13	9	81-205	5.00	\$8,000	8-1-2012
418414	Glenn	14	9	81-205	5.00	\$8,400	8-1-2012
418415	Glenn	15	9	81-205	5.00	\$8,400	8-1-2012
418416	Glenn	16	9	81-205	5.00	\$8,000	8-1-2012
418417	Glenn	17	9	81-205	5.00	\$8,000	8-1-2012
418418	Glenn	18	9	81-205	5.00	\$8,000	8-1-2012
418419	Glenn	19	9	81-205	5.00	\$8,000	8-1-2012
418420	Glenn	20	9	81-205	5.00	\$8,000	8-1-2012
418421	Glenn	21	9	81-205	5.00	\$8,000	8-1-2012
418422	Glenn	22	9	81-205	4.99	\$8,000	8-1-2012
418628	Tok Triangle, Phase II	3	3	2007-15	19.56	\$17,800	8-1-2012

PREMISES OF THE APPRAISAL

Type of Appraisal and Report

This appraisal is a summary appraisal prepared in accordance with Standards Rule 1 and 2 of the current edition of Uniform Standards of Professional Appraisal Practice (USPAP) and DNR's Special Appraisal Instructions.

Purpose of Appraisal

The purpose of this appraisal is to estimate current market value of the properties described in this report.

Intended Use of Appraisal

The appraisal will be used by DNR to determine the minimum bid for parcels to be acquired through the auction sale program under **AS 38.05.055**.

User and Client Identity

This appraisal is prepared for the State of Alaska, Department of Natural Resources and the general public.

Property Rights Appraised

Rights appraised are fee simple estate less mineral rights reserved to the State of Alaska under **AS 38.05.125(a)**.

Fee simple estate is defined as:

"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."¹

AS 38.05.125(a) states:

Reservation. (a) Each contract for the sale, lease or grant of state land... is subject to the following reservations: "[sic] the party of the first part, Alaska, hereby expressly saves, excepts and reserves... unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils of every name, kind or description, and with may be in or upon said land... [and the right] to occupy as much of said land as may be necessary or convenient... to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved."²

Definition of Market Value

"The most probable price, as of a specified date, in cash, or terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress."³

Effective Date of Value Estimate

August 1st, 2012.

Date of Report

December 19th, 2012.

¹ The Appraisal of Real Estate, Thirteenth Edition, Appraisal Institute, 2008, p.111

² Alaska Statutes Title 38, Public Land Article 5, State of Alaska, 2008, pp. 624-625

³ The Appraisal of Real Estate, Thirteenth Edition, Appraisal Institute, 2008, p.23

Exposure Time

Exposure time is defined as "...the estimated length of time 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; a retrospective opinion based on an analysis of past events assuming a competitive and open market. Exposure time is different for various types of property and under various market conditions. It is noted that the overall concept of reasonable exposure encompasses not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable effort."⁴

Exposure time can vary depending on the type of property being appraised and constantly changing market conditions. Supply and demand of similar properties to the subject is an important factor for determining exposure time. Currently, there are multiple parcels available throughout Tok that are offered through various government and private programs. Considering the availability of parcels on the market, a longer exposure time of up to two years is reasonable.

Property History

DNR surveyed Glenn Subdivision in 1981. None of the subject parcels within Glenn Subdivision have been offered to the public. DNR surveyed Tok Triangle Phase II subdivision in 2007 and offered ADL 418628 through the 2010 subdivision auction. The parcel received a high bid of \$20,001, yet the application to purchase was relinquished. No title interest was conveyed. The Department of Natural Resources is the current owner of record for all of the subjects.

Scope of the Appraisal

Property and Comparable Sales Inspection

I inspected the subject property and all of the comparable sales on August 1st, 2012. Physical features and access were identified by use of aerial inspections, topographic maps, status plats, aerial photographs, DNR appraisal records, and interviews with people who are familiar with the area.

Research and Analysis conducted

Interviews were conducted with real estate agents, appraisers, local residents, and other individuals familiar with the area who provided information about trends in value, supply, demand, access, and physical characteristics of the subject properties. DNR records and the Records Office databases were searched for recent comparable sales. Private real estate agent websites were searched for recent listings. Sellers, buyers, and agents were contacted to verify recent sale prices and other transaction details.

After analysis of all available data, appropriate comparable sales were selected. The market value estimate was derived from this process and is based on the following assumptions and limiting conditions.

⁴ Uniform Standards of Professional Appraisal Practice 2010-2011, Appraisal Foundation, p. U-87

Assumptions and Limiting Conditions

1. The property is appraised as vacant land without structural or site improvements.
2. All engineering studies are assumed to be accurate. Plats and illustrative material included in the report are intended to help the reader visualize the properties.
3. Information furnished by others and included in the report is believed to be reliable but the appraiser does not warrant the accuracy of such information.
4. Unless otherwise noted in the report, the appraiser did not find any evidence that hazardous materials exist on these properties. The estimate of value is based on the assumption that there are no such materials on the property. The appraiser is not qualified to detect these substances. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge that is required to discover these substances.
5. The appraiser, by reason of this appraisal, is not required to give further consultation or testimony, or be in attendance in court with reference to the property in question unless arrangements have been made in advance.
6. The data and conclusions in this report are a part of the whole valuation. Each part of this report is only part of the evidence upon which the final judgment is based. Therefore, no part should be used out of context and by itself alone.
7. It is assumed that there are no hidden or apparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for any such conditions, or for arranging engineering studies to discover them.
8. The estimate of value in this report is not based in whole or in part upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.
9. Some parcels may contain saw timber, but not necessarily in commercial quantities. The estimated market value does not include the value of commercial timber, if any.
10. Unless noted, the existence of personal property or improvements, if any, could not be confirmed. The properties are appraised "as vacant".
11. In this valuation, various mathematical calculations were used to formulate the opinion of value. These calculations are only aids for the formulation of the opinion of value by the appraiser. Therefore, in the application of these calculations, certain arithmetical figures are rounded to the nearest significant amount.
12. The appraiser assumes no responsibility for legal matters. The subject lots are assumed to be free and clear of encumbrances, except as otherwise noted, and title is assumed to be marketable.

PRESENTATION OF DATA

Market Area – Tok⁵

Location:

Tok is located 200 miles southeast of Fairbanks and 93 miles west of the Canadian border. It is situated at the intersection of the Alaska Highway and the 'Tok Cutoff' to the Glenn Highway. Tok is the first major community upon entering Alaska from Canada. This community is located within the Fairbanks Recording district. The average low temperature in January is -32°F; with an average high temperature of 72°F in July. Annual precipitation is 11 inches with 33 inches of snow.

History & Culture:

It is uncertain how Tok got its name. However, the nearby "Tokai River" was first reported in 1887 by Lt. Allen. "Tok River" was recorded in 1901 by the USGS. Tok began in 1942 as an Alaska Road Commission camp. So much money was spent in the camp's construction and maintenance that it earned the name "Million Dollar Camp" by those working on the highway. In 1944 a branch of the Northern Commercial Company was opened, and in 1946 Tok was established as a Presidential Townsite. With the completion of the Alcan Highway in 1946, a post office and a roadhouse were built. In 1947 the first school was opened, and in 1958 a larger school was built to accommodate the many newcomers. The U.S. Customs Office was located in Tok between 1947 and 1971, when it was moved to Alcan at the border. Between 1954 and 1979, a U.S. Army fuel pipeline operated from Haines to Fairbanks, with a pump station in Tok. The pump station's facilities were purchased as area headquarters for the Bureau of Land Management. The U.S. Coast Guard constructed a LORAN (Long Range Aid to Navigation) station in 1976. Four 700' towers, located 6 miles east of Tok junction, transmit radio navigation signals for air and marine traffic in the Gulf of Alaska.

Tok has become known as the "Sled Dog Capital of Alaska." Although residents have chosen not to incorporate as a municipality, there are numerous local volunteer committees for various community functions and various membership organizations. In July of 1990, Tok was evacuated due to a large forest fire. Fortunately, the wind changed direction effectively changing the direction of the fire and averting serious damages.

Facilities:

According to Census 2010, there were 724 housing units in the community and 532 were occupied. There is no central water and sewer in Tok, because businesses and residences are spread out over a wide area. Most homes use individual septic tanks and individual wells at 50- to 125-foot depths. The schools operate individual systems. Most homes are heated with fuel oil or wood-burning stoves, and many residents use propane for cooking, water heating, and clothes drying. A private firm provides household refuse collection and disposal at the landfill, located at mile 120.5 Tok Cutoff. Alaska Power & Telephone Co., based in Port Townsend, WA, owns and operates a diesel power system in Tok that provides electricity to area communities. Electricity is provided by Alaska Power Company. There are 2 schools located in the community, attended by 275 students. Local hospitals or health clinics include Tok Community Clinic; Tok Public Health Center. The clinic is a qualified Emergency Care Center. Specialized Care. Auxiliary health care is provided by Chicken EMS, and Tok Area Emergency Medical Services.

Economy:

Tok is the transportation, business, service, and government center for the Upper Tanana region. Employment and business revenues peak in the summer months, with the rush of RV travelers on the Alaska Highway. Subsistence and recreational activities are prevalent. Moose, bear, rabbit, grouse, and ptarmigan are taken. Dahl sheep and caribou are hunted outside of the region but only through lottery permits. Salmon are obtained from the Copper River to the south. Berry-picking and gardening are also popular activities.

⁵ All information regarding Market Area information derived from <http://www.commerce.state.ak.us/dca/commdb/CIS.cfm>

The 2006-2010 American Community Survey (ACS) estimated 597 residents as employed. The public sector employed 38.7% of all workers. The local unemployment rate was 7.2%. The percentage of workers not in labor force was 34.1%. The ACS surveys established that average median household income (in 2010 inflation-adjusted dollars) was \$47,019 (MOE +/- \$19,739). The per capita income (in 2010 inflation-adjusted dollars) was \$22,599 (MOE +/- \$4,537). About 10.1% of all residents had incomes below the poverty level.

Transportation:

Tok is located at the junction of Alaska's two principal highways. It is the first community with services for visitors entering (and last community for visitors departing) Alaska by highway. Bus services are available to Anchorage and Fairbanks, and freight is delivered by truck. There are two state-owned runways. One is a gravel strip operated by DNR and is 1,690' long by 45' wide. The other is at Tok Junction and state-owned, with a 2,509' long by 50' wide asphalt runway. There are two additional private airstrips in the vicinity.

General Property Description for Glenn Subdivision ASLS 81-205

Legal Description

The subject parcels are identified as follows:

ADL	Subdivision	MTRS	Lot	Block	ASLS	Acres	Plat	Recording District	Access
418385	Glenn	C017N12E11	10	7	81-205	5	86-48	Fairbanks	Dirt Road
418386	Glenn	C017N12E11	11	7	81-205	5	86-48	Fairbanks	Trail
418387	Glenn	C017N12E11	12	7	81-205	5	86-48	Fairbanks	Trail
418388	Glenn	C017N12E11	13	7	81-205	5	86-48	Fairbanks	Trail
418357	Glenn	C017N12E11	4	6	81-205	5.00	86-48	Fairbanks	Dirt Road
418358	Glenn	C017N12E11	5	6	81-205	5.00	86-48	Fairbanks	Dirt Road
418359	Glenn	C017N12E11	6	6	81-205	5.00	86-48	Fairbanks	Dirt Road
418360	Glenn	C017N12E11	7	6	81-205	5.00	86-48	Fairbanks	Dirt Road
418361	Glenn	C017N12E11	8	6	81-205	5.00	86-48	Fairbanks	Dirt Road
418362	Glenn	C017N12E11	9	6	81-205	5.00	86-48	Fairbanks	Dirt Road
418363	Glenn	C017N12E11	10	6	81-205	5.00	86-48	Fairbanks	Trail
418364	Glenn	C017N12E11	11	6	81-205	5.00	86-48	Fairbanks	Trail
418365	Glenn	C017N12E11	12	6	81-205	4.99	86-48	Fairbanks	Trail
418366	Glenn	C017N12E11	13	6	81-205	5.00	86-48	Fairbanks	Trail
418367	Glenn	C017N12E11	14	6	81-205	5.00	86-48	Fairbanks	Trail
418368	Glenn	C017N12E11	15	6	81-205	5.00	86-48	Fairbanks	Trail
418369	Glenn	C017N12E11	16	6	81-205	5.00	86-48	Fairbanks	Trail
418370	Glenn	C017N12E11	17	6	81-205	5.00	86-48	Fairbanks	Trail
418371	Glenn	C017N12E11	18	6	81-205	5.00	86-48	Fairbanks	Trail
418372	Glenn	C017N12E11	19	6	81-205	4.99	86-48	Fairbanks	Trail
418373	Glenn	C017N12E11	20	6	81-205	5.00	86-48	Fairbanks	Trail
418374	Glenn	C017N12E11	21	6	81-205	4.99	86-48	Fairbanks	Trail
418375	Glenn	C017N12E11	22	6	81-205	4.99	86-48	Fairbanks	Dirt Road

ADL	Subdivision	MTRS	Lot	Block	ASLS	Acres	Plat	Recording District	Access
418413	Glenn	C017N12E11	13	9	81-205	5.00	86-48	Fairbanks	Trail
418414	Glenn	C017N12E11	14	9	81-205	5.00	86-48	Fairbanks	Dirt Road
418415	Glenn	C017N12E11	15	9	81-205	5.00	86-48	Fairbanks	Dirt Road
418416	Glenn	C017N12E11	16	9	81-205	5.00	86-48	Fairbanks	Trail
418417	Glenn	C017N12E11	17	9	81-205	5.00	86-48	Fairbanks	Trail
418418	Glenn	C017N12E11	18	9	81-205	5.00	86-48	Fairbanks	Trail
418419	Glenn	C017N12E11	19	9	81-205	5.00	86-48	Fairbanks	Trail
418420	Glenn	C017N12E11	20	9	81-205	5.00	86-48	Fairbanks	Trail
418421	Glenn	C017N12E11	21	9	81-205	5.00	86-48	Fairbanks	Trail
418422	Glenn	C017N12E11	22	9	81-205	4.99	86-48	Fairbanks	Trail
418628	Tok Triangle, Phase II	C018N12E35	3	3	2007-15	19.56	2009-62	Fairbanks	Trail

Location

Glenn Subdivision is located approximately four to five miles southwest of Tok and roughly one mile west of the Glenn Highway within Township 17 North, Range 12 East, Section 11. Tok Triangle Phase II is located two miles southwest of Tok and roughly one mile west of the Glenn Highway within Township 18 North, Range 12 East, Section 35.

Access

Access to Glenn subdivision is via constructed gravel road along Butch Kuth Avenue then on foot, ATV, or snow machine to subject parcels. There are ATV trails and brushed right-of-ways throughout the subdivision. Access to Tok Triangle is via Warbelow Ave or Muckluk Ave then on foot, ATV, or snow machine to subject.

Size & Shape

Subjects range from 4.99 acres to 19.56 acres and are rectangular or irregular in shape.

Topography

The subjects are level with minimal variation in elevation and approximately 1700 feet above sea level.

Soils/Vegetation

The subjects contain primarily mature birch and spruce mix with vegetation indicative of adequate drainage.

Utilities, Water & Sewer

The subjects do not have any utilities. Electricity is located along Butch Kuth Avenue, south of Glenn Subdivision, ½-mile to 1-mile south of the subjects. The subject in Tok Triangle is roughly one half mile west of the nearest electric utility line. No public water or sewer system is available. Water supply or sewage disposal systems must be located, constructed, and equipped in accordance with the requirements, standards, and recommendations of the Alaska Department of Environmental Conservation.

Easements & Zoning Regulations

No zoning. The subjects are located within an unregulated area of the Unorganized Borough. In Glenn Subdivision, the survey plat note indicates a 10' utility easement located adjacent to all rights-of-way, and screening easements will remain in their natural state. The Tok Triangle subject has a 30' utility easement on the eastern lot line.

Environmental Hazards, Hazardous Waste & Toxic Materials

No toxic materials, waste, or hazards were observed during the field inspection.

Tax Assessments

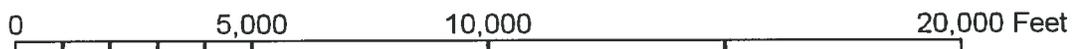
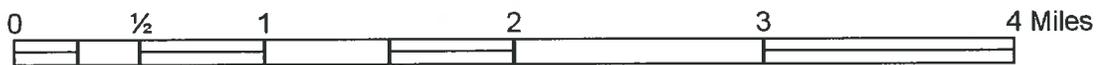
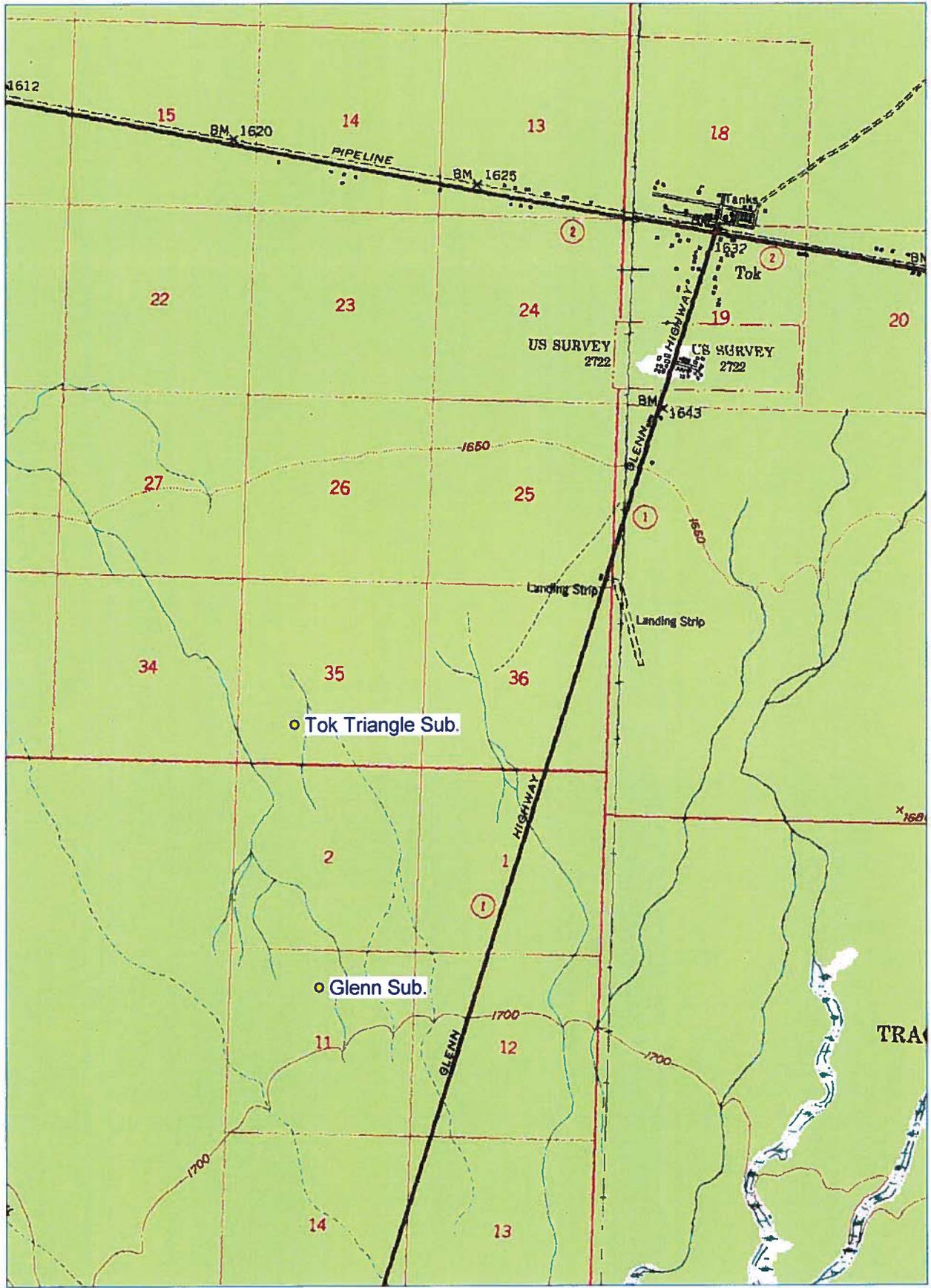
The subjects are located within the Unorganized Borough and not subject to property tax at this time.

Ownership History

DNR surveyed Glenn Subdivision in 1981. None of the subject parcels within Glenn Subdivision have been offered to the public. DNR surveyed Tok Triangle Phase II subdivision in 2007 and offered ADL 418628 through the 2010 subdivision auction. The parcel received a high bid of \$20,001, yet the application to purchase was relinquished. The Department of Natural Resources is the current owner of record for all of the subjects.

Personal Property

There is no personal property involved with the appraisal of these properties.



1927 North American Datum,
UTM grid zone 7



Looking southeast along Wontorski Ave., subjects on right



Looking north along Yukon Ben St., Lot 4 Block 7 on right.



Lot 15 Block 8, Glenn.



Druckmiller Road brushed trail



Constructed driveway on Lot 22, Block 6



Lot 4, Block 6, Glenn



Lot 6 Block 6 Glenn.



Lot 11, Block 7, Glenn.



Warbelow Ave, south of Tok Triangle subject.



Tok Triangle Lot 3, Block 3.

DATA ANALYSIS AND CONCLUSION

Valuation Analysis

Three approaches to value are considered to determine the market value estimate.

Income Approach

The income approach for valuation is used primarily for income producing properties. It utilizes the capitalization process to discount future anticipated net income to a present value. It is not common to lease vacant land for a residential use; therefore, data that supports this approach is not available.

Cost Approach

The cost approach is based on the assumption that an informed buyer would pay no more than the cost of producing a substitute property with the same utility as the subject property. This approach will separate the value of the land from the value of the improvements to determine the cost of reproducing the improvements. The cost approach is most effective for appraising properties that have newer improvements. Since all the parcels are vacant, the cost approach will not be used.

Sales Comparison Approach

The sales comparison approach considers actual sales or prices asked for properties that have similar characteristics of the subject properties. Adjustments are made to the comparison properties so as to determine a price at which they would have sold if they had identical characteristics as the subject properties. This derived price then indicates a value for the subject properties. Some of the characteristics considered include general market conditions, sales terms, location, highest and best use and physical features. Of the three approaches to value, only the sales comparison approach is applicable.

Key Parcel Method

In appraising more than one similar parcel, it is an accepted practice to appraise a key parcel that is most representative of the other parcels being appraised. The key parcel may be a hypothetical parcel or an actual parcel. The value of the remaining parcels is then based on a comparison to the key parcel. This methodology replicates typical developer thinking, and will be utilized. The same adjustments and procedures are applied to the key parcel value to indicate the market value of a parcel being appraised, except the direction of adjustment is reversed when comparing appraised parcels to the key parcel. Superior features require a positive adjustment compared with the appraised parcel; inferior features require a negative adjustment.

Explanation of Adjustments

DNR appraisal instructions state that the appraiser may develop and use quantitative or qualitative adjustments. Ideally, the value differences for any price adjustment are measured by comparing prices of paired sales that are very similar except for the feature of comparison to be measured. When market sales do not support quantifiable adjustments for differences and the comparable sales, the appraiser must use personal knowledge of overall trends, opinion surveys, and/or judgment in making adjustments. The conventional sequence of adjustments is property rights conveyed, financing terms, conditions of sale, time, location, and physical features.

An adjustment of less than 1.00 (or $<$) means the sale feature is superior to that appraised property and requires a downward adjustment to indicate the value of the key parcel. An adjustment greater than 1.00 (or $>$) means that the sale feature is inferior to the subject's feature which requires an upward adjustment to indicate the value of the key parcel. An adjustment of 1.00 (or $=$) means the sale feature is similar to the key parcel, no adjustment is necessary. The adjustments are multiplied to obtain a total adjustment, which is then multiplied by the sale price to indicate the value of a key parcel.

Qualitative adjustments are noted as superior (-), inferior (+), or equal/similar (=). The overall comparability of each sale is analyzed to bracket a probable value for the subject. In many cases, combinations of both quantitative and qualitative adjustments are used.

Glenn Subdivision
Key Lot ADL 418369 - Lot 16, Block 6 of ASLS 81-205

Data Analysis and Value Conclusion

Location	Subject is located 5 miles southwest of Tok, 1 miles west of the Glenn Highway, north of Butch Kuth Avenue, on Wontorski Way.
Access	Established trail. On foot or ATV during summer or snowmachine in winter.
Size & Shape	5.00 acres and irregularly shaped.
Topography	Level, approximately 1,700 feet above sea level.
Soils & Vegetation	Mature birch and spruce mix with vegetation indicative of adequately drained soils.
Utilities	None.
Easements & Zoning	No Zoning. Typical subdivision easements.
Environmental Hazards	None observed.
Tax Assessments	The subject is within the Unorganized Borough, so no tax burden applies.
Ownership	DNR is the owner of record.
Personal Property	None.
Amenity	None.

Highest and Best Use

Analysis of highest and best use for the subject property is necessary to accurately estimate the value of the land. Highest and best use analysis ensures that the value estimate is derived with the use in mind that maximizes the utility for a given property. The appropriate highest and best use for a given property is determined by the conditions of the market. Highest and best use can be defined as:

"The reasonably probable and legal use of vacant land or an improved property, that is physically possible, legally permissible, appropriately supported, financially feasible, and that results in the highest value."⁶

The land to be valued is considered vacant and thus valued with the highest and best potential use for the property. Value for improvements (when present on the site) is then based on their contribution to this use. The appraised parcels are vacant and unimproved.

Legally Permissible

The parcel is not subject to any known zoning requirements that would be restrictive to potential development. Development of well and septic systems must comply with the requirements of the Department of Environmental Conservation. Almost any legal use of the site would be possible.

⁶ The Appraisal of Real Estate, Thirteenth Edition, Appraisal Institute, 2008, p.277-278