

MARKET VALUE APPRAISAL
of
35 Talkeetna, Alaska Area Parcels
Within

**Bald Mountain, Bartlett Hills, Dog Sled, Dog Sled West, Lake Creek Homestead, McKenzie
Creek, Ninemile RRCS, Parker Lake, South Bald Mountain, and
Trapper Creek Glen Subdivisions**



APPRAISAL REPORT No. 4268-0

STATE OF ALASKA
Department of Natural Resources
Division of Mining, Land & Water
550 West Seventh Avenue, Suite 602
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 602
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DATE: 12/10/2015

TO: Kevin Hindmarch
Review Appraiser

FROM Michael S. Dooley
Appraiser I



SUBJECT: Appraisal of Talkeetna Area parcels within the Bald Mountain, Bartlett Hills, Dog Sled, Dog Sled West, Lake Creek Homestead, McKenzie Creek, Ninemile Lake, Parker Lake, South Bald Mountain, and Trapper Creek 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 an appraisal 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, via aerial inspection. 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

SUMMARY OF VALUES

Subdivision	ADL	Lot/Tract	Block	ASLS	Site Size	Value
Bald Mountain	216043	6	29	80-176	4.94	\$8,400
Bartlett Hills	205388	52	6	79-143D	5.00	\$8,100
Bartlett Hills	205467	49	9	79-143D	4.95	\$28,200
Dog Sled	TBD	1	-	2014-69	3.85	\$28,100
Dog Sled	TBD	2	-	2014-69	3.50	\$25,600
Dog Sled	TBD	3	-	2014-69	3.23	\$23,600
Dog Sled	TBD	4	-	2014-69	3.17	\$23,100
Dog Sled	TBD	5	-	2014-69	3.05	\$22,300
Dog Sled	TBD	6	-	2014-69	4.14	\$30,200
Dog Sled	TBD	7	-	2014-69	5.15	\$27,800
Dog Sled	TBD	8	-	2014-69	3.52	\$25,700
Dog Sled	TBD	9	-	2014-69	3.54	\$25,800
Dog Sled	TBD	10	-	2014-69	9.22	\$19,100
Dog Sled	TBD	11	-	2014-69	9.20	\$17,500
Dog Sled West	TBD	1	-	2014-70	4.25	\$29,500
Lake Creek Homestead	224932	A	-	90-13	40.00	\$17,000
Lake Creek Homestead	224933	B	-	90-13	40.00	\$17,000
McKenzie Creek Homestead	222459	-	-	90-11	18.04	\$23,400
McKenzie Creek Homestead	222780	A	-	91-225	21.25	\$25,400
Ninemile RRCS	229066	G	-	2003-43	11.19	\$16,900
Ninemile RRCS	229067	H	-	2003-43	13.11	\$18,700
Parker Lake	219347	5	2	82-126	10.43	\$14,400
South Bald Mountain	216045	8	1	82-1	10.20	\$9,700
South Bald Mountain	216073	6	6	82-1	11.80	\$10,600
South Bald Mountain	216111	7	9	82-1	12.93	\$11,400
South Bald Mountain	216117	2	10	82-1	12.24	\$11,000
South Bald Mountain	216130	3	1	82-1	10.02	\$9,500
South Bald Mountain	216131	4	1	82-1	11.18	\$10,500
South Bald Mountain	216133	6	1	82-1	11.83	\$10,700
South Bald Mountain	216134	1	2	82-1	10.14	\$9,700
South Bald Mountain	216136	3	2	82-1	12.03	\$10,800

Subdivision	ADL	Lot/Tract	Block	ASLS	Site Size	Value
Trapper Creek Glenn	205717	2	24	79-242	4.99	\$8,500
Trapper Creek Glenn	205782	4	30	79-242	4.98	\$8,500
Trapper Creek Glenn	206037	1	22	79-242	4.82	\$7,800
Trapper Creek Glenn	206263	4	18	79-242	4.99	\$9,300

Type of Appraisal and Report

This appraisal report is prepared in accordance with Standards Rule 1 and 2 of the current edition of **Uniform Standards of Professional Appraisal Practice** (USPAP), and in accordance with 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

September 4, 2015 and October 6, 2015

Date of Report

December 10, 2015

¹ The Dictionary of Real Estate Appraisal, Fifth Edition, Appraisal Institute, 2010, p.78

² Alaska Statutes Title 38, Public Land Article 5, <http://www.legis.state.ak.us/basis/folio.asp>, Accessed 11/18/2015

³ The Appraisal of Real Estate, Fourteenth Edition, Appraisal Institute, 2008, p.58

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 over 100 available parcels within the immediate area. Considering the availability of parcels on the market, a longer exposure time of up to three years is reasonable.

Scope of the Appraisal

Property and Comparable Sales Inspection

I inspected the subject properties and all of the comparable sales with the exception of Dog Sled and Dog Sled West subdivisions on September 3, 2015 via aerial inspection. 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. Dog Sled, and Dog Sled West Subdivision parcels, and the related comparable sales were inspected on October 6, 2015.

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 while the Matanuska - Susitna Borough database was searched for relevant sale information. Private real estate agent websites were searched for recent listings while 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 2014-2015, Appraisal Foundation, p. U-2

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.
13. At the time of this appraisal, the final plats for Dog Sled, and Dog Sled West subdivisions had not been recorded. The appraiser made the "**Extraordinary Assumption**" that the information provided on the preliminary plat, including size, would not change. The appraiser also performed this appraisal with the "**Hypothetical Condition**" that the subject parcels, as described on the preliminary plat, would be the official legal lot of record. In the event that changes to the final recorded plat do occur, the appraiser reserves the right to revise this appraisal to reflect any, said, changes.

PRESENTATION OF DATA

All of the subject parcels are all located in remote areas of the Matanuska-Susitna Borough. All of the parcels are located north of the Cook Inlet, south of Denali National Park, and east of the Alaska Range.

Market Area – The Matanuska Susitna Borough⁵

Location:

The Matanuska-Susitna (Mat-Su) Borough is located in the middle of south central Alaska, including the Matanuska and Susitna River Drainages, portions of the Chugach Mountains as well as the Alaska, Talkeetna, and Clearwater Ranges. The Municipality of Anchorage, Upper Cook Inlet, and Knik Arm delineate the Borough's southern border. The average temperatures in January range from 6°F to 14°F; in July, 47°F to 67°F. Annual precipitation is 16.5 inches.

Local Government:

The Mat-Su Borough is a second class Borough incorporated in 1964 with an elected Mayor and Assembly. The Borough's area-wide powers include: assessment and collection of taxes, education, planning and zoning, parks and recreation, ports, harbors and wharves, ambulance service, transportation systems, air pollution control, day care facilities, historic preservation, and transient accommodations taxation. The Borough's non area-wide powers include fireworks, motor vehicles and operators, snow vehicles, solid waste, libraries, septic tank waste disposal, economic development, limited health and social service, natural gas, electric, and road local improvement districts, animal control, and water pollution control.

Demographics:

Low housing costs, the rural lifestyle, and a reasonable commute to Anchorage for employment and services has made the Mat-Su Borough one of the fastest growing areas of Alaska in recent years.

According to the 2010 Census, the population was 88,995. There were 41,329 housing units in the community and 31,824 were occupied. Its population was 5.5 percent American Indian or Alaska Native; 84.9 percent white; 1 percent black; 1.2 percent Asian; 0.2 percent Pacific Islander; 6.5 percent of the local residents had multi-racial backgrounds. Additionally, 3.7 percent of the population was of Hispanic decent.

Economy:

The economy is diverse, and residents are employed in a variety of retail, professional services, city, borough, state and federal occupations. Top employers are Mat-Su Schools, Valley Hospital, Wal-Mart, Carrs/Safeway and Fred Meyer. About one-third of the Borough's labor force commutes to Anchorage for employment. In 2010, 300 borough residents held commercial fish permits.

The 2005-2009 American Community Survey (ACS) estimated 35,540 residents as employed. The public sector employed 17.9% of all workers. The local unemployment rate was 11.8%. The percentage of workers not in labor force was 34.3%. The ACS surveys established that average median household income (in 2009 inflation-adjusted dollars) was \$66,052 (MOE +/- \$1,869). The per capita income (in 2009 inflation-adjusted dollars) was \$24,906 (MOE +/- \$707). About 10.3% of all residents had incomes below the poverty level.

Facilities:

There are three incorporated cities within the Borough: Houston, Palmer, and Wasilla. Additionally, there are several unincorporated communities and twenty-five (25) Borough recognized community councils. The majority of the Borough population resides in the "core area" surrounding the cities of Palmer and Wasilla, and within the cities themselves. The remaining population is spread out among the various unincorporated communities, as well as some remote sites. There are 44 schools located in the borough, attended by 17,079 students.

⁵ All information regarding market area and neighborhood information derived from <http://www.commerce.state.ak.us/dca/commdb/CIS.cfm>

Transportation:

The area accesses both the Glenn and George Parks Highways. Commercial airlines serve the nearby Anchorage International Airport, but a local municipal airport supports private and chartered services. The Alaska Railroad provides for delivery of ocean freight.

Talkeetna Neighborhood⁶

Located at the junction of the Talkeetna and Susitna Rivers, it lies 115 miles north of Anchorage at mile 226.7 of the Alaska Railroad. The paved Talkeetna Spur Road runs 14 miles east off of the George Parks Highway at milepost 98.7. The community lies at approximately 62.323890° North Latitude and -150.109440° West Longitude. (Sec. 24, T026N, R005W, Seward Meridian.) Talkeetna is located in the Talkeetna Recording District.

History, Culture and Demographics

Talkeetna was settled as a mining town and Alaska Commercial Company trading post in 1896. A gold rush to the Susitna River brought prospectors to the area, and by 1910 Talkeetna was a riverboat steamer station, supplying miners and trappers in the Cache Creek, Iron Creek, and Broad Creek districts. In 1915, Talkeetna was chosen as the headquarters for the Alaska Engineering Commission, who built the Alaska Railroad, and the community population peaked near 1,000. World War I and completion of the railroad in 1919 dramatically decreased the population. Talkeetna has since developed as an aviation and supply base for expeditions to Denali. Several of its old log buildings are now historical landmarks, and Talkeetna was placed on the National Register of Historic Places in April 1993. State land disposals and homestead programs helped the community grow.

Talkeetna is popular for its recreational fishing, hunting, boating, flight seeing, skiing, and dog mushing. Local businesses provide services to Denali climbers. Middle and high school students are bused to Y, at milepost 98, in the Susitna Valley.

According to Census 2010, there were 744 housing units in the community and 449 were occupied.

Facilities, Utilities, Schools and Health Care

The majority of residents have individual wells, septic tanks, and complete plumbing. A piped water and sewer system is maintained by the Mat-Su Borough. The high school operates its own water system. A borough-operated refuse transfer station is located at mile 11.5 Talkeetna Spur Road. A sludge disposal site is available locally. Electricity is provided by Matanuska Electric Association, Incorporated. There is one school located in the community, attended by 96 students. Local hospitals or health clinics include Sunshine Community Health Center Mat-su Regional Hospital between Palmer and Wasilla on the Parks Hwy. The clinic is a qualified Emergency Care Center. Emergency Services have highway air and helicopter access. Emergency service is provided by 911 Telephone Service and volunteers. Auxiliary health care is provided by Talkeetna Ambulance Service (907-373-8800/907-745-4811) Valley Hospital in Palmer.

Economy and Transportation

As the take-off point for fishing and flight seeing trips and a staging area for Denali climbing expeditions, Talkeetna provides air taxis, helicopters, outfitters, and related services. Numerous air taxis provide transport to Kahiltna Glacier Base Camp. All climbers must register for Mount McKinley and Mount Foraker. In 2010, 9 area residents held commercial fishing permits.

⁶ All information regarding neighborhood information derived from <http://www.commerce.state.ak.us/dca/commdb/CIS.cfm>

Subject Parcel Descriptions

Subdivision Name	Survey #	# of Lots	Date Inspected
Bald Mountain	80-176	1	09/03/2015
Bartlett Hills	79-143D	2	09/03/2015
Dog Sled	2014-69	11	10/06/2015
Dog Sled West	2014-70	1	10/06/2015
Lake Creek Homestead	90-13	2	09/03/2015
McKenzie Creek	90-11 and 91-225	2	09/03/2015
Ninemile RRCS	2003-43	2	09/03/2015
Parker Lake	82-126	1	09/03/2015
South Bald Mountain	82-1	9	09/03/2015
Trapper Creek Glen	79-242	4	09/03/2015

General Property Description for Bald Mountain Subdivision

Legal Description

There is one subject parcel within the Bald Mountain Subdivision. ADL#216043, Lot 6 /Block 29 of ASLS 80-176, within Township 25 North, Range 3 West, Section 17.

Location

Bald Mountain Subdivision is located approximately 8 miles southeast of Talkeetna between Answer creek and the North Fork of Montana Creek.

Access

Access to the subdivision is either by ATV or snowmachine via established trails and established right-of-ways.

Size & Shape

The subject parcel is 4.94 acres, and is irregular in shape.

Topography

The subdivision is characterized by a sloping topography. The subject parcel is approximately 1,250' above sea level.

Soils/Vegetation

Subdivision contains primarily mature birch and spruce mix with some areas of wetlands within the tracts. Soils are typical of the surrounding area, with small portions of wetlands identified within the low lying area of the subdivision.

Utilities, Water & Sewer

Electricity is not available to any of the lots within the subdivision. 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 Mat-Su Borough. Parcels are subject to a 10' easement on each side of common interior lot lines, and structures may not be constructed within 25' from a road right-of-way and no closer than 10' from a side lot boundary. The survey plat indicates a 50' public access easement along the mean high water or ordinary high water line of any water frontage of any sort. Additionally, unless a section line has been vacated, there is a fifty foot easement on each side of each section line within the subdivision.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments⁷

The subject is located within the taxing authority of the Matanuska-Susitna Borough; however, there is no tax burden assessed to the State of Alaska from the borough. Tax assessments to private parties will become active when property is sold into private ownership. The 2015 mill rate for the subject subdivision is 13.511.

Ownership History

The Department of Natural Resources is the current owner of record for the subject parcel within the Bald Mountain subdivision.

There are no other known deed transfers or contracts to purchase the subject property within the past 3 years.

Personal Property

There is no personal property involved with the appraisal of this property.

Bald Mountain Subdivision



ADL #216043. The red arrow is the approximate location of parcel.

⁷ <http://www.matsugov.us/realpropertyquery/detail> accessed 10-27-2015

Bald Mountain Subdivision



ADL#216022

****The red outline is the approximate location of parcel.**

General Property Description for Bartlett Hills Subdivision

Legal Description

There are 2 subject parcels within the Bartlett Hills Subdivision. ADL#205388, Lot 52/Block 6, of ASLS 79-143D, within Township 24 North, Range 4 West, Section 24, and ADL# 205467, Lot 49/Block 9 of ASLS 79-143D, within Township 24 North, Range 4 West, Section 25.

Location

Bartlett Hills Subdivision is located approximately 12 miles southeast of Talkeetna and approximately 3 miles east of the Talkeetna Spur Road. The subdivision lies between the South Fork of Montana Creek to the north, and Buddy Creek to the south.

Access

The subdivision can be accessed from the north via Yoder Road, or from the south via East Montana Creek Road. Not all of the platted road and right-of-ways within the subdivision have been improved. All road service in the subdivision extends from the north. Road service on South Malaspina Road starts from, and includes East Kustaka Road, and ends at approximately Lot 32/Block 9. Road service on South Southfork Road(identified as East Montana Creek Road on Plat) begins at Yoder Road and ends at approximately lot 27/Block 5.

ADL#205467 is located on South Malaspina Loop just north of South Katahdin Road. Please note that South Katahdin Road and the section of South Malaspina Road to this parcel are not maintained by the borough, and are not much more than an improved trail. However, it is evident that these roads have been used to provide year round access to the subdivision. The evidence of use, and the close proximity of borough maintained roads to this parcel, makes it reasonable to analyze this parcel with road access comparable sales.

ADL# 205388 does not have road or improved trail access. This parcel is on located on South Malaspina Loop in between E. Soyuz Road and East Makuskin Road. The parcel is approximately .25 miles north of the E. Makuskin Road and must be accessed on foot via the platted right-of-way. The parcel is also located approximately .10 of a mile south of the developed section of Malaspina Loop and must be accessed on foot.

Size & Shape

The parcels range in size from 4.95 and 5.00 acres. Both parcels are irregular in shape.

Topography

The subdivision is characterized by a generally level topography with minimal variation in elevation. The subject parcels lay approximately 500 to 700 feet above sea level.

Soils/Vegetation

Subdivision contains primarily mature birch and spruce mix with some areas of wetlands within the tracts. Soils are typical of the surrounding area, with the larger portions of wetlands identified as tracts within the subdivision.

Utilities, Water & Sewer

Electricity is not available to any of the lots within the subdivision. 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 Mat-Su Borough. There is a 15' utility easement on each side of common interior lot lines, and inside any lot lines fronting a right-of-way. Structures may not be constructed within 25' of a road right of way, 10' from a side lot boundary, and 75' from the normal high water mark of water body. The survey plat indicates a 50' public access easement along the mean high water or ordinary high water line of any water frontage of any sort.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments⁸

The subjects are located within the taxing authority of the Matanuska-Susitna Borough; however, there is no tax burden assessed to the State of Alaska from the borough. Tax assessments to private parties will become active when property is sold into private ownership. The 2015 mill rate for the subject subdivision was 13.511

Ownership History

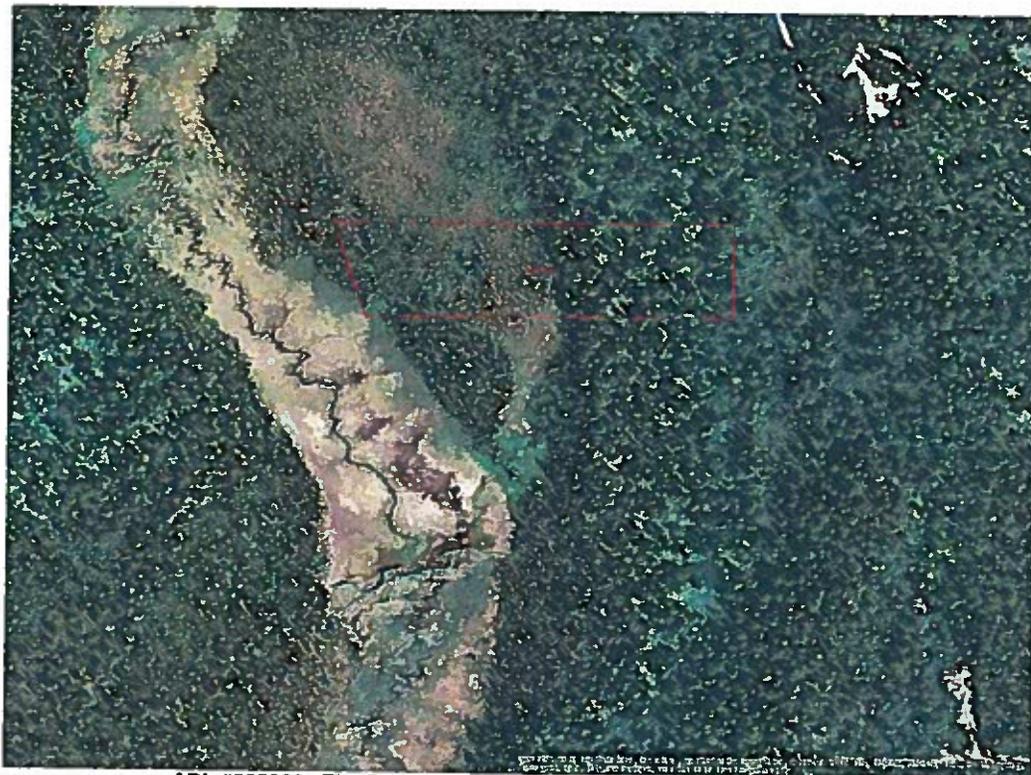
The Department of Natural Resources is the current owner of record for the subject parcels within the Bartlett Hills Subdivision. There are no other known deed transfers or contracts to purchase the subject property within the past 3 years.

Personal Property

There is no personal property involved with the appraisal of this property.

⁸ <http://www.matsugov.us/realpropertyquery/detail> accessed 10-27-2015

Bartlett Hills Subdivision



ADL #205388. The Red outline is the approximate location of parcel.

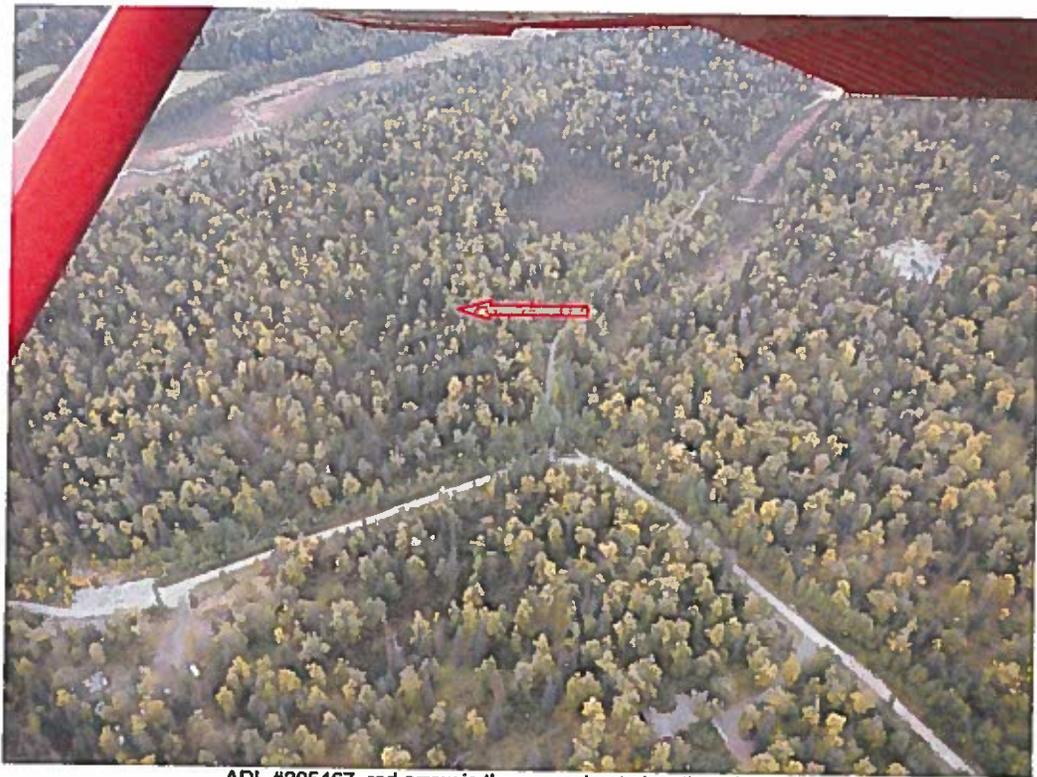
Bartlett Hills Subdivision



ADL #205388. The red arrow is the approximate location of parcel.



ADL #205467, red arrow is the approximate location of parcel.



ADL #205467, red arrow is the approximate location of parcel.

General Property Description for Dog Sled Subdivision

Legal Description

There are 11 subject parcels within the Dog Sled Subdivision. Lots 1-11 of ASLS 2014-69, within Township 23 North, Range 4 West, Section 09. The final plat had not been recorded at the time of the appraisal inspection.

Location

Dog Sled Subdivision is located approximately 15 miles south of Talkeetna, and approximately .9 of a mile east of the Parks Highway just south of Montana Creek.

Access

Access to the subdivision is by via gravel road from the Parks Highway; turn right on East Montana Creek Road, and then another right onto South Dog Sled Road. Currently, the Matanuska-Susitna Borough performs year round street maintenance on East Montana Creek Road and South Dog Sled Drive.

Size & Shape

The subject parcels range in size from 3.05–9.22 acres, and are rectangular to irregular in shape.

Topography

The subdivision is characterized by a generally level topography. The subject parcels are approximately 325' above sea level.

Soils/Vegetation

The subdivision contains primarily mature birch and spruce mix with some areas of wetlands within the tracts. Soils are typical of the surrounding area, with small portions of wetlands identified within the low lying area of the subdivision. At the time of the survey, the surveyor noted that less than 5% of each Lot 5 and Lot 11 had identified areas of wetlands. The surveyor also noted wetlands on the northern portion of lot 3, and the southern portion of lot 4. These wetland areas are illustrated on the plat. There is a 50' wide protection area between residential uses and wetland areas, and a 50' wide building setback from apparent wetlands. The appraisal inspection was performed on October 6th, 2015, a day or two following an extended period of rain in the subject area. The back portions of lots 5, 6, 7, 10, and 11 all had areas of standing water. Most notably of which were lots 7 and 11, with approximately 30% wet ground on each parcel.

Utilities, Water & Sewer

Telephone and electrical lines are available to each of the lots along South Dog Sled Drive. 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 Mat-Su Borough. There is a 10' screening easement, and a 15' public utility easement along the west property lines of all the parcels. There is a 15' public utility easement and a 50' section line easement along the north property lines of Lots 9, 10, and 11. In addition, Montana Loop Trail (RST 536) is abutting the eastern property lines of lots 1-4, and the south and southeastern property lines of lots 5-11.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments⁹

The subject is located within the taxing authority of the Matanuska-Susitna Borough; however, there is no tax burden assessed to the State of Alaska from the borough. Tax assessments to private parties will become active when property is sold into private ownership. The 2015 mill rate for the adjacent subdivision is 16.641.

⁹ <http://www.matsugov.us/realpropertyquery/detail> accessed 10-27-2015

Ownership History

The Department of Natural Resources is the current owner of record for the subject parcels within the Dog Sled subdivision. There are no other known deed transfers or contracts to purchase the subject property within the past 3 years.

Personal Property

There is no personal property involved with the appraisal of this property.



South Sled Dog Drive looking south from Montana Creek Road

Lot 1 of Sled Dog Subdivision



Looking East



Parcel on left. Looking northeast along Montana Loop Trail.

Lot 2 of Sled Dog Subdivision



Looking Southeast



Looking West from Trail

Lot 3 of Sled Dog Subdivision



Looking Southeast



Looking West from Trail

Portion of Tract A between Lot 3 and Lot 4



Lot 4 of Sled Dog Subdivision



Looking Southeast



Looking West from Trail

Lot 5 of Sled Dog Subdivision



Looking Northeast



Looking West from Trail

Lot 6 of Sled Dog Subdivision



Looking Northeast

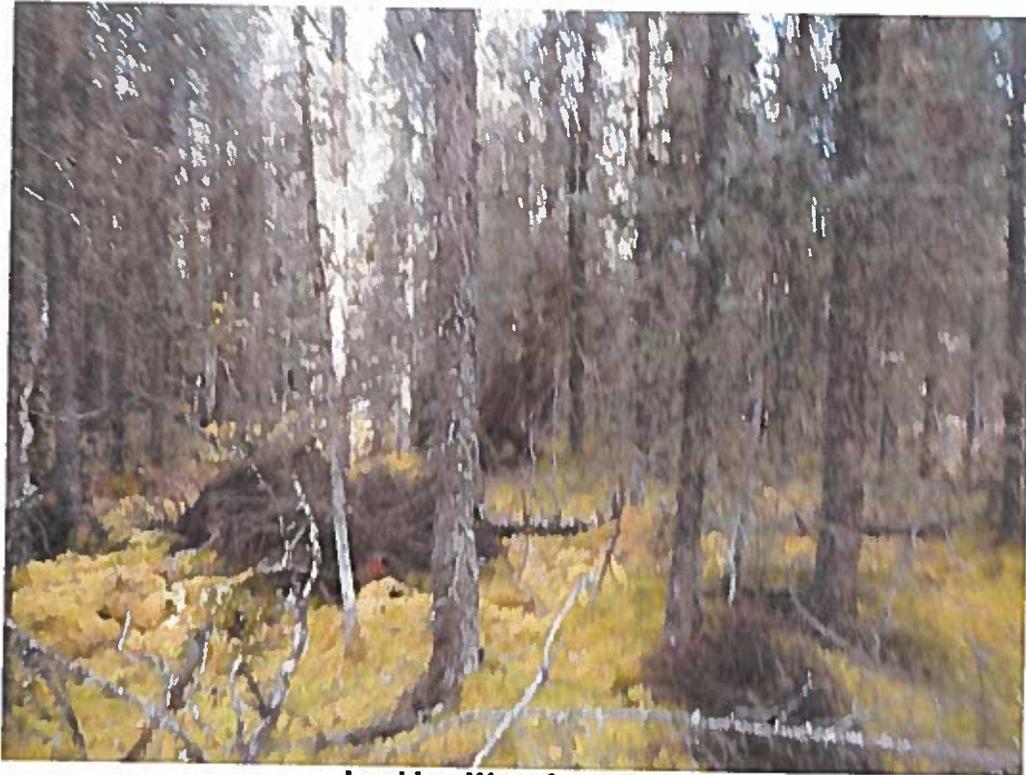


Looking West from Trail

Lot 7 of Sled Dog Subdivision



Looking Northeast



Looking West from Trail

Lot 8 of Sled Dog Subdivision



Looking Northeast

Lot 9 of Sled Dog Subdivision



Looking Northeast

Section line easement access to flag-shaped lots 10 and 11



Looking East

Lot 10 of Sled Dog Subdivision



Looking South



Looking Northwest from Trail

Lot 11 of Sled Dog Subdivision



Looking South

General Property Description for Dog Sled West Subdivision

Legal Description

There is one subject parcel within the Dog Sled West Subdivision. Lot 1 of ASLS 2014-70, within Township 23 North, Range 4 West, Section 09.

Location

Dog Sled West Subdivision is located approximately 15 miles south of Talkeetna, and approximately .50 miles east of the Parks Highway just south of Montana Creek.

Access

Access to the subdivision is via gravel from the Parks Highway. From the Parks Highway, turn right onto East Montana Creek Road, then left onto Old Montana Creek Road. East Montana Creek Road has year round street maintenance. However, Old Montana Creek Road is not currently maintained by the Borough.

Size & Shape

The subject parcel is 4.25 acres, and is rectangular in shape.

Topography

The subdivision is characterized by level to rolling topography. The subject parcel is approximately 300' above sea level.

Soils/Vegetation

Subdivision contains primarily mature birch and spruce mix with some low lying areas of wetlands within the subject parcel. Soils are typical of the surrounding area, with small portions of wetlands identified within the low lying area of the subdivision. The appraisal inspection was performed on October 6th, 2015 a day or two following an extended period of rain in the subject area. The northeastern portion of the parcel had areas of standing water and/or very wet ground.

Utilities, Water & Sewer

Telephone and electrical lines are extended to the corner of Old Montana Creek Road and East Montana Creek Road. 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 Mat-Su Borough. There is a 10' screening easement, and a 15' public utility easement along the north property line. There is a dedicated 30' wide utility and access easement extending from Old Montana Creek Road to the west side of the subject parcel.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments¹⁰

The subject is located within the taxing authority of the Matanuska-Susitna Borough; however, there is no tax burden assessed to the State of Alaska from the borough. Tax assessments to private parties will become active when property is sold into private ownership. The 2015 mill rate for the adjacent subdivision is 16.641.

Ownership History

The Department of Natural Resources is the current owner of record for the subject parcels within the Dog Sled West subdivision. There are no other known deed transfers or contracts to purchase the subject property within the past 3 years.

¹⁰ <http://www.matsugov.us/realpropertyquery/detail> accessed 10-27-2015

Personal Property

There is no personal property involved with the appraisal of this property.

Dog Sled West



Looking East on Old Montana Creek Road with Lot #1 on Right

Lot 1, Dog Sled West



Lot 1, Dog Sled West



General Property Description for Lake Creek Homestead

Legal Description

There are two subject parcels located within the Lake Creek Homestead ASLS 90-13, within Township 23 North, Range 09 West, Section 16; ADL#224932, and ADL# 222933.

Location

Lake Creek Homestead is located on the approximately 31 miles southwest of Talkeetna, approximately 3 miles southwest of Shulin Lake on the west side of the Kahiltna River, and 1.4 miles south of Quiet lake.

Access

Summer access to the subdivision is by float plane to a small lake approximately 550 north of the subject parcel. Winter access is via airplane, or snowmachine along rivers and/or overland to the subject subdivision.

Size & Shape

Each subject parcel is 40.00 acres and rectangular in shape.

Topography

The subject parcels are characterized by a generally level topography with minimal variation in elevation. The parcels lie approximately 850 feet above sea level.

Soils/Vegetation

Subdivision contains primarily mature birch and spruce. Soils are typical of the surrounding area.

Utilities, Water & Sewer

Electricity is not available to any of the lots within the subdivision. 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 Mat-Su Borough. Parcels are subject to a 10' easement on each side of common lot lines, and structures may not be constructed within 25' of a right of way. The survey plat indicates a 50' public access easement along the mean high water or ordinary high water line of any water frontage of any sort. Additionally, there is a fifty foot easement on each side of each section line within the subdivision.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments¹¹

The subjects are located within the taxing authority of the Matanuska-Susitna Borough; however, there is no tax burden assessed to the State of Alaska from the borough. Tax assessments to private parties will become active when property is sold into private ownership. The 2015 mill rate for the subject subdivision was 10.501.

Ownership History

The Department of Natural Resources is the current owner of record for the subject parcels. The subject parcels are currently in potential reoffer status. There was a contract to purchase subject parcel ADL#224932 by Beth Browning which was terminated on 02-12-2014.

There was a contract to purchase subject parcel ADL#224933 by Randall Browning which was terminated on 02-12-2014.

Personal Property

There is no personal property involved with the appraisal of this property.

¹¹ <http://www.matsugov.us/realpropertyquery/detail> accessed 10-27-2015



ADL # 224932 to the north and ADL # 224933 to the south. The Kahiltna River is to the east, and Lake Creek is to the west.



ADL#224932 Looking north. Red arrow is the approximate center of parcel.



ADL#224933 Looking south. Red arrow is the approximate center of parcel.

General Property Description for McKenzie Creek Homestead

Legal Description

There are two subject parcels located within McKenzie Creek Homestead. ADL# 222459, ASLS 90-11 within Township 29 North, Range 4 West, Sections 28 and 29; and ADL# 222780, Tract A of ASLS 91-225, within Township 29 North, Range 4 West, Sections 28 and 33.

Location

McKenzie Creek Homestead is located approximately 17.5 miles northeast of Talkeetna less than .25 miles south of the left bank of the Susitna River.

Access

Summer access to the subdivision is by boat up river then overland to the subject parcel or by small float plane to an adjacent lake. Winter access is via snowmachine along rivers then overland to the subject subdivision or by small airplane with skis to an adjacent lake. In addition, The Alaska Railroad runs along the Susitna River between the subject parcels and the Susitna River. The Alaska Railroad offers winter "whistle stop" service to the area. However, public use of the Alaska Railroad's right-of-way is prohibited except for access to trains or by written agreement with the railroad.

Size & Shape

Lots range in size from 18.04 to 21.249 acres. The lots are irregular in shape.

Topography

The subdivision is characterized by a generally level topography with minimal variation in elevation. The subject parcels lay approximately 650 to 850 feet above sea level.

Soils/Vegetation

Subdivision contains primarily mature birch and spruce. Soils are typical of the surrounding area.

Utilities, Water & Sewer

Electricity is not available to any of the lots within the subdivision. 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 Mat-Su Borough. Parcels are subject to a 25' public access easement on each side of common lot lines, and structures may not be constructed within 25' of a right of way. The survey plat indicates a 50' public access easement along the mean high water or ordinary high water line of any water frontage of any sort. The parcels are subject to a 100' building setback from the ordinary high water mark of the adjoining lakes.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments¹²

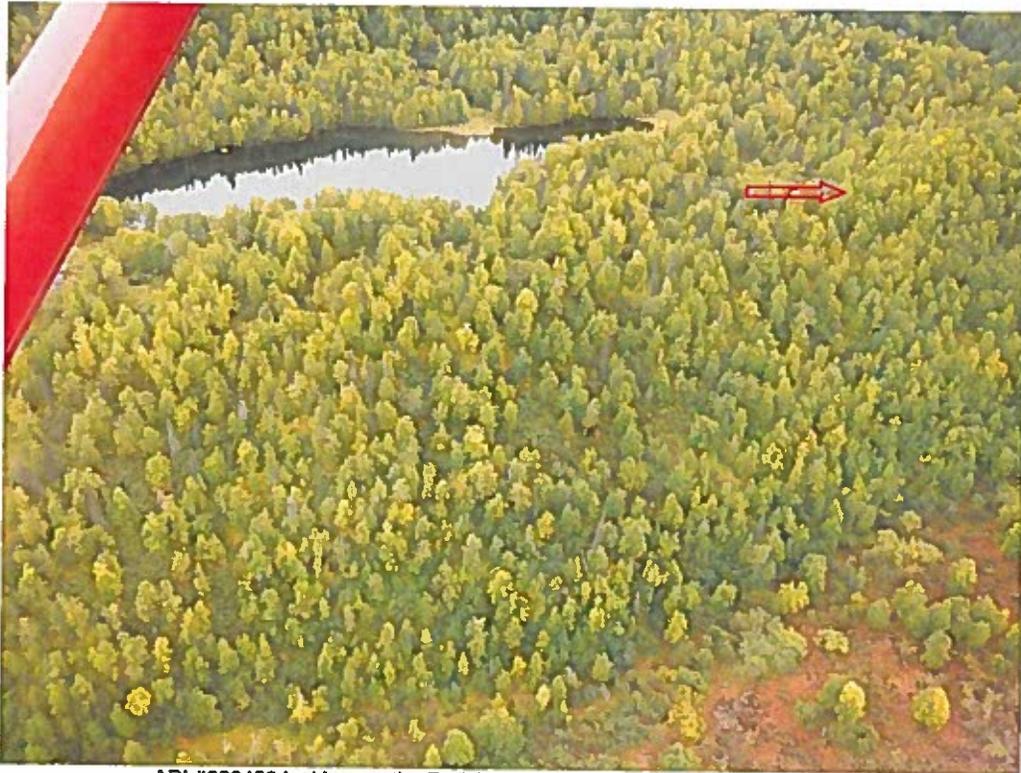
The subjects are located within the taxing authority of the Matanuska-Susitna Borough; however, there is no tax burden assessed to the State of Alaska from the borough. Tax assessments to private parties will become active when property is sold into private ownership.

Ownership History

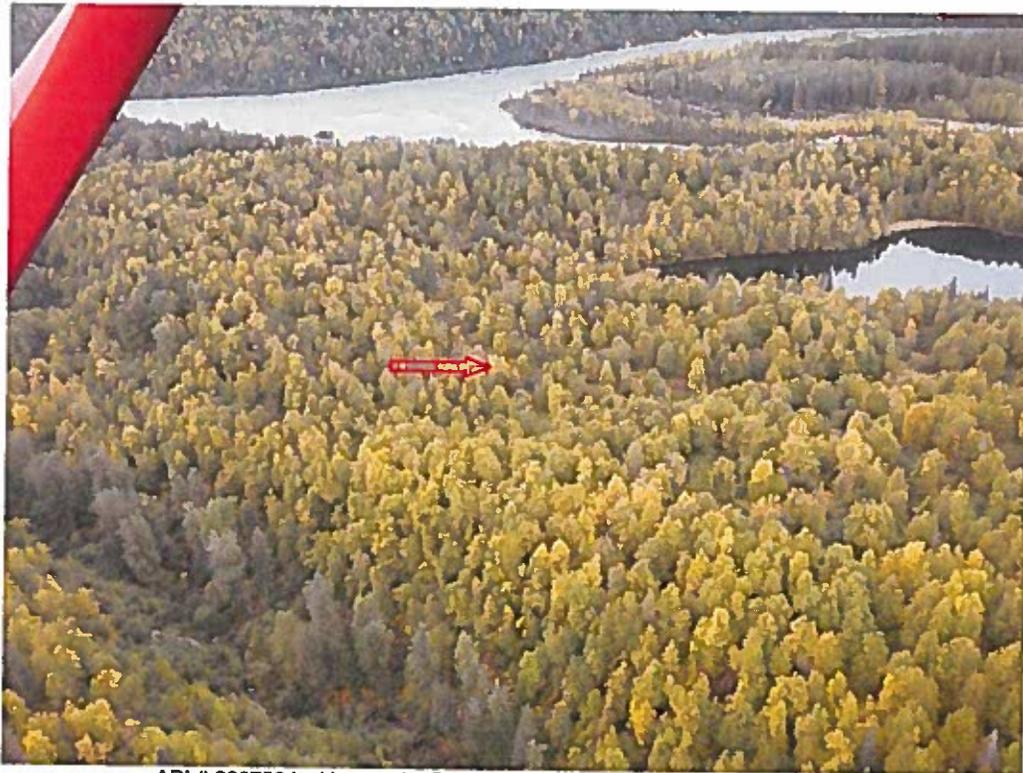
The Department of Natural Resources is the current owner of record for all of the subject parcels. Both of the parcels are currently in Potential Reoffer Status.

Personal Property

¹² <http://www.matsugov.us/realpropertyquery/detail> accessed 10-27-2015



ADL#222459 looking south. Red Arrow is the approximate center of parcel.



ADL# 222780 looking north. Red Arrow is the approximate center of parcel.

General Property Description for Ninemile Remote Recreational Cabin Sites (RRCS)

Legal Description

There are two subject parcels within the Ninemile RRCS. ADL# 229066, Tract G of ASLS 2003-43, within Township 24 North, Range 06 West, Section 14; and ADL# 229067, Tract H of ASLS 2003-43 within Township 24 North, Range 06 West, Section 13

Location

Ninemile RRCS is located approximately 65 miles northeast of Anchorage, and approximately 10 miles south of mile 3 of Petersville Road.

Access

Each of the subject parcels is located on separate small float plane sized lakes. Summer access to the subject parcels is via float plane. Winter access is via ski plane or snowmachine.

Size & Shape

The lot sizes are 11.19 acre and 13.11 acres. The lots are irregular in shape.

Topography

The subject parcels are characterized by a generally level topography with minimal variation in elevation. The subject parcels lie approximately 370-400 feet above sea level.

Soils/Vegetation

The subject parcels contain primarily mature birch and spruce mix. Soils are typical of the surrounding area, with the larger portions of wetlands identified as tracts within the subdivision.

Utilities, Water & Sewer

Electricity is not available to any of the lots within the subdivision. 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 Mat-Su Borough. Parcels are subject to a 10' easement on each side of common lot lines, and structures may not be constructed within 25' of a right of way. The survey plat indicates a 50' public access easement along the mean high water or ordinary high water line of any water frontage of any sort. The parcels are subject to a 100' building setback from the ordinary high water mark of the adjoining unnamed lakes.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments¹³

The subjects are located within the taxing authority of the Matanuska-Susitna Borough; however, there is no tax burden assessed to the State of Alaska from the borough. Tax assessments to private parties will become active when property is sold into private ownership. The 2015 mill rate for the subject subdivision was 10.501.

Ownership History

The Department of Natural Resources is the current owner of record for the subject parcels. The subject parcels are currently in Potential Reoffer Status. There are no other sales or of the subject parcels within the past 3 years.

Personal Property

There is no personal property involved with the appraisal of this property.

¹³ <http://www.matsugov.us/realpropertyquery/detail> accessed 10-27-2015



ADL#229066 Looking south. Red arrow is the approximate center of parcel.



ADL# 229067 Looking north. Red outline is approximate center of parcel

General Property Description for Parker Lake

Legal Description

There is one subject parcel within the Parker Lake subdivision. ADL#219347, Lot 5/Block 2 of ASLS 82-126, within Township 22 North, Range 7 West, Section 1

Location

Parker Lake subdivision is located approximately 60 miles northwest of Anchorage, and approximately 5 miles south of the end of Oilwell Road.

Access

Summer access to the subdivision is by float plane to local lakes, then overland. It appears that the nearest float plane accessible lake is approximately ½ mile northwest of the subject parcel. Winter access is via snowmachine along rivers and/or overland to the subject subdivision.

Size & Shape

The lot size is 10.43. The lots are irregular in shape.

Topography

The subject is characterized by a generally level topography with minimal variation in elevation. The subject lies approximately 250-300 feet above sea level.

Soils/Vegetation

The subject contains primarily mature birch and spruce mix. Soils are typical of the surrounding area, with the larger portions of wetlands identified as tracts within the subdivision.

Utilities, Water & Sewer

Electricity is not available to any of the lots within the subdivision. 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 Mat-Su Borough. Parcels are subject to a 10' easement on each side of common lot lines, and structures may not be constructed within 25' of a right of way. The survey plat indicates a 50' public access easement along the mean high water or ordinary high water line of any water frontage of any sort. Additionally, there is a fifty foot easement on each side of each section line within the subdivision.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments¹⁴

The subjects are located within the taxing authority of the Matanuska-Susitna Borough; however, there is no tax burden assessed to the State of Alaska from the borough. Tax assessments to private parties will become active when property is sold into private ownership. The 2015 mill rate for the subject subdivision was 10.501.

Ownership History

The Department of Natural Resources is the current owner of record for the subject parcel. The subject is currently in Potential Reoffer Status.

There was a contract to purchase the subject parcel by Walter Brantley which was terminated effective 11-15-2012

Personal Property

There is no personal property involved with the appraisal of this property.

¹⁴ <http://www.matsugov.us/realpropertyquery/detail> accessed 10-27-2015



ADL#219346 looking south. Red outline is approximate center of parcel

General Property Description for South Bald Mountain Subdivision

Legal Description

There are 9 subject parcels within the South Bald Mountain Subdivision ASLS 82-1, within Township 25 North, Range 3 West, Section 13, 26, 28, 33 and 35.

ADL	Lot	Block	ASLS	Site Size
216045	8	1	82-1	10.2
216073	6	6	82-2	11.8
216111	7	9	82-1	12.93
216117	2	10	82-1	12.24
216130	3	1	82-1	10.02
216131	4	1	82-1	11.18
216133	6	1	82-1	11.83
216134	1	2	82-1	10.14
216136	3	2	82-1	12.03

Location

South Bald Mountain Subdivision is located approximately 10-12 miles southeast of Talkeetna between just north of the North Fork of Montana Creek.

Access

Access to the subdivision is either by ATV or snowmachine via established trails and established right-of-ways.

Size & Shape

The subject lot sizes range from is 10.14 to 12.93 acres and are irregular in shape.

Topography

The subdivision is characterized by a sloping topography. The subject parcels lay approximately 1,200' to 1,500' above sea level.

Soils/Vegetation

Subdivision contains primarily mature birch and spruce mix with some areas of wetlands within the tracts. Soils are typical of the surrounding area, with small portions of wetlands identified within the low lying area of the subdivision.

Utilities, Water & Sewer

Electricity is not available to any of the lots within the subdivision. 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 Mat-Su Borough. Parcels are subject to a 10' easement on each side of common interior lot lines, and structures may not be constructed within 25' from a road right-of-way and no closer than 10' from a side lot boundary. The survey plat indicates a 50' public access easement along the mean high water or ordinary high water line of any water frontage of any sort. Additionally, unless a section line has been vacated, there is a fifty foot easement on each side of each section line within the subdivision.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments¹⁵

The subjects are located within the taxing authority of the Matanuska-Susitna Borough; however, there is no tax burden assessed to the State of Alaska from the borough. Tax assessments to private parties will become active when property is sold into private ownership. The 2015 mill rate for the subject subdivision is 13.511.

Ownership History

The Department of Natural Resources is the current owner of record for the subject parcels within the Bald Mountain subdivision. There are no other known deed transfers or contracts to purchase the subject property within the past 3 years.

Personal Property

There is no personal property involved with the appraisal of this property

South Bald Mountain Subdivision



The red outlines are the approximate locations of the parcels.

<http://www.matsugov.us/realpropertyquery/detail> accessed 10-27-2015



The red arrows are the approximate location of subject parcels.
The ADL's from bottom left to upper right are, 216134, 216136, 216130, 213161, and 216133.
See satellite image on previous page for reference.



The red arrow is the approximate location of ADL# 216117.



The red arrow is the approximate location of ADL# 216111.



The red arrow is the approximate location of ADL# 216073.

General Property Description for Trapper Creek Glen Subdivision

Legal Description

There are 4 subject parcels within the Trapper Creek Glen Subdivision, within Township 27 North, Range 6 West, Sections 26, 35 and 36.

ADL	Lot	Block	ASLS	Site Size/Acres
205717	2	24	79-242	4.99
205782	4	30	79-242	4.98
206037	1	22	79-242	4.82
206263	4	18	79-242	4.99

Location

Trapper Creek Glenn Subdivision is located approximately 7 miles northwest of Talkeetna west of the Parks Highway.

Access

There is good year round access to the Trapper Creek Glen Subdivision. Trailhead access for the southern portion of the subdivision is via a shared parking lot at mile 118.2 of the Parks highway, just north of Petersville Road. Well established trails allow all terrain vehicle access in the summer time and snowmobile access in the winter time. Trails are maintained via a homeowners association. ADL #206263 is the only subject parcel that has direct trail access.

Size & Shape

The subject parcel sizes range from 4.82 to 4.99 acres. ADL#205782 is irregular in shape. The remainder parcels are rectangular in shape.

Topography

The entire subdivision lies approximately 500 to 700 feet above sea level.

Soils/Vegetation

Subdivision contains primarily mature birch and spruce mix with areas of wetlands within the tracts. Soils are typical of the surrounding area, with the larger portions of wetlands identified as tracts within the subdivision.

Utilities, Water & Sewer

Electricity is not available to any of the lots within the subdivision. 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 Mat-Su Borough. Parcels are subject to a 10' easement on each side of common lot lines, and structures may not be constructed within 25' of a right of way. The survey plat indicates a 50' public access easement along the mean high water or ordinary high water line of any water frontage of any sort. Additionally, there is a fifty foot easement on each side of each section line within the subdivision.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments¹⁶

The subjects are located within the taxing authority of the Matanuska-Susitna Borough; however, there is no tax burden assessed to the State of Alaska from the borough. Tax assessments to private parties will become active when property is sold into private ownership. The 2015 mill rate for the subject subdivision was 14.911

¹⁶ <http://www.matsugov.us/realpropertyquery/detail> accessed 10-27-2015

Ownership History

The Department of Natural Resources is the current owner of all of the subject parcels within the Trapper Creek Glen subdivision.

A contract to purchase ADL#206037 was recorded on 07-12-2012. However, the contract was relinquished on 10-10-2014. There are no other known deed transfers or contracts to purchase the subject property within the past 3 years.

Personal Property

There is no personal property involved with the appraisal of this property.





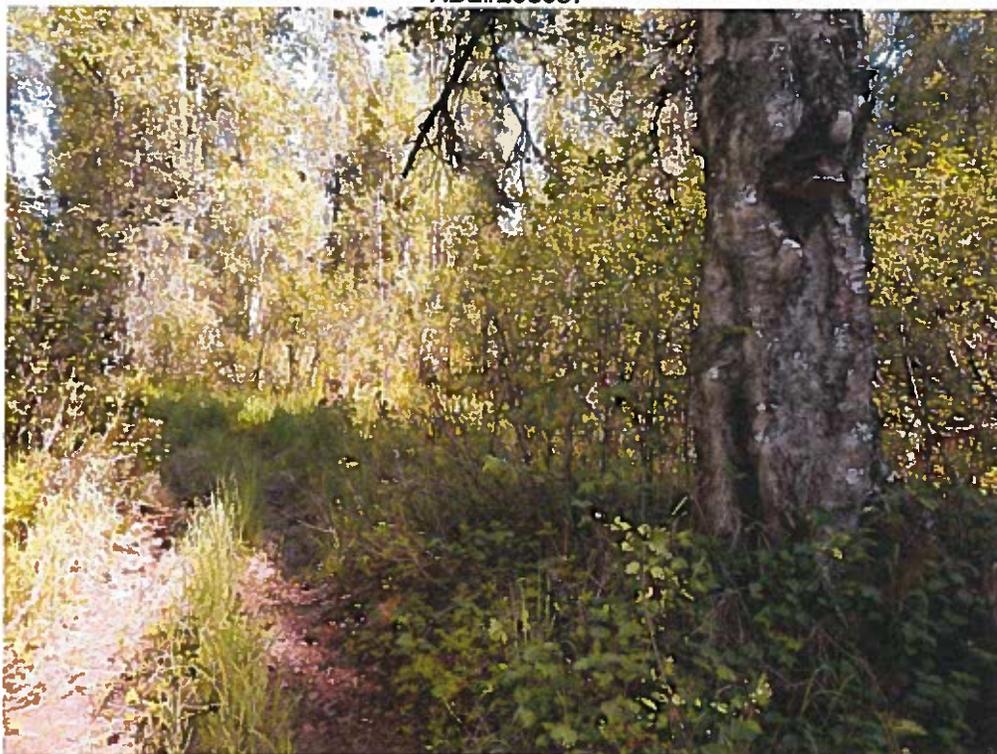
ADL #205717. The red arrow is the approximate location of the subject parcel.



ADL #205782. The red outline is the approximate location of the subject parcel.



ADL#206037



ADL#206263

DATA ANALYSIS AND CONCLUSION

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."¹⁷

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

All parcels are subject to local zoning laws, subdivision covenants and restrictions, plat notes, as well as Borough and State regulations. 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.

Physically Possible

The size and physical characteristics are adequate to support all reasonable and probable uses.

Financially Feasible

Surrounding land use is primarily residential. Development of the parcel depends on the amount of resources the owner is willing to allocate for residential needs. Development in the area is ongoing; however, the overall market has slowed as evidenced by stagnant prices and longer marketing times.

Maximally Productive

Maximally productive use is the use that produces the maximum return from the proceeds of a sale or lease. The immediate vicinity is characterized by private recreation. Snowmachining and other outdoor activities are the primary motivations for the surrounding recreational users.

Highest and Best Use of Land as Vacant

Based on the foregoing analysis, the highest and best use of the subject parcels as vacant would be for almost any legal use, primarily rural recreation cabin sites.

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. As such, the cost approach will not be used.

¹⁷ The Appraisal of Real Estate, Thirteenth Edition, Appraisal Institute, 2008, p.277-278

Due to the confidentiality of sales information in the State of Alaska, the valuation section of the report is unavailable online. The entire report can be reviewed at the DNR Public Information Center:

In Anchorage

(in the Atwood Building)
550 W. 7th Ave. Suite 1200, Anchorage AK, 99501
Phone (907) 269-8400
Fax (907) 269-8901
TDD for hearing impaired (907) 269-8411
e-mail: dnr.pic@alaska.gov
Business hours 10:00 am to 5:00 pm M-F.

In Fairbanks

(Corner of University & Airport Way)
3700 Airport Way, Fairbanks, AK 99709
Phone (907) 451-2705
Fax (907) 451-2706
TDD for hearing impaired (907) 451-2770
e-mail: fbx-pic@alaska.gov
Business hours 10:00 am to 5:00 pm M-F.

In Juneau

(Southeast Div. of Land)
400 Willoughby Ave., 4th Floor, Juneau AK 99801
Phone (907) 465-3400
Fax (907) 586-2954
e-mail: southeast_land@dnr.state.ak.us
Business hours 10:00 am to 5:00 pm M-F.