



MEMORANDUM STATE OF ALASKA

Department of Natural Resources Division of Agriculture

TO: Board of Agriculture and Conservation

DATE: October 17, 2016

FROM: Amanda Swanson, Loan Officer

SUBJECT: ARLF Asset Report
October 2016

ARLF Asset Report for October 24, 2016 BAC Meeting

Palmer Feed Mill Property ARLF Sale #09-01:

Ralph Hulbert at AlaskChem Engineering completed the Phase I Environmental Site Assessment and remediation on September 12, 2016. The total expenses for the Environmental Services was \$26,556.00 which was paid for by ARLF. The expenses exceeded the original amount authorized, of \$25,000.00, due to a countertop that was found to contain asbestos needing to be removed and a resampling of three monitoring wells that was required by DEC. ARLF paid the overage due to it being in ARLF's best interest to complete environmental cleanup on its asset.

Matanuska Brewing Company is now in the process of obtaining financing to complete the purchase of the Palmer property. They are still within their due diligence period which does not expire until December 28, 2016.

Mt. McKinley Meat and Sausage

At the September 12, 2016 BAC meeting, the Board voted for an appraisal to be completed on MMM&S in order to set a minimum price on the new RFP to lease or purchase the property. A RFP for appraisers was sent out on September 14, 2016 with a response deadline of September 30, 2016 and a work completion date for an appraisal of 60 days from date of contract award. No bids were received.

Instead a Broker's Opinion of Value was completed by SSS Commercial Real Estate on October 4th, 2016. The Broker's Opinion of Value estimates the property, including land and buildings, is worth \$860,000.00.