

MARKET VALUE APPRAISAL

Of

Twenty-eight (28) remote parcels located in the Matanuska – Susitna Borough

**Johnson Creek ASLS 2003-10
Lockwood Lake ASLS 2003-46
Ninemile ASLS 2003-43
Onestone Lake ASLS 81-110
Skwentna Flats Remote ASLS 85-162
Yentna ASLS 2003-12**



Skwentna River near Johnson Creek

APPRAISAL REPORT No. 3500

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

**A. SUMMARY OF APPRAISAL NO. 3500**

1. ADL NO(S): See table below
2. SIZE: Various, as noted in table
3. APPLICANT: N/A
4. LOCATION: Remote parcels west of the Park's Highway within the Matanuska-Susitna Borough
5. LEGAL DESCRIPTION(S): See table below
6. INTEREST APPRAISED: Fee Simple Title less Mineral Rights
7. PURPOSE OF THE APPRAISAL: Estimate Market Value
8. APPRAISED BY: Johnthomas Williamson
9. DATE of REPORT: February 11, 2008
10. DATE of VALUE(S): June 14, 2007
11. APPRAISED VALUE(S):

ADL	Subdivision	Lot or Tract	Block	ASLS	Acres	Value
228586	Johnson Creek RRCS	P		2003-10	13.21	\$18,500
229061	Lockwood Lake RRCS	G		2003-46	18.01	\$12,400
229062	Lockwood Lake RRCS	H		2003-46	15.22	\$10,100
229063	Lockwood Lake RRCS	I		2003-46	18.54	\$15,100
229064	Lockwood Lake RRCS	D		2003-46	10.72	\$8,600
229065	Ninemile RRCS	B		2003-43	16.72	\$18,300
229066	Ninemile RRCS	G		2003-43	11.19	\$13,200
229067	Ninemile RRCS	H		2003-43	13.11	\$17,000
228838	Ninemile RRCS	I		2003-43	11.82	\$15,800
229076	Ninemile RRCS	J		2003-43	15.42	\$17,000
229070	Ninemile RRCS	K		2003-43	13.04	\$15,300
229069	Ninemile RRCS	L		2003-43	10.99	\$11,600
229068	Ninemile RRCS	M		2003-43	15.69	\$17,100
215743	Onestone Lake	2	8	81-110	10.00	\$7,000
215749	Onestone Lake	1	9	81-110	11.14	\$7,800
215759	Onestone Lake	3	11	81-110	10.00	\$7,000
215760	Onestone Lake	4	11	81-110	14.00	\$9,000
215761	Onestone Lake	5	11	81-110	10.00	\$7,000
215762	Onestone Lake	6	11	81-110	10.00	\$7,000
215763	Onestone Lake	7	11	81-110	10.00	\$7,000
215764	Onestone Lake	8	11	81-110	10.03	\$7,000
215765	Onestone Lake	10	11	81-110	10.00	\$7,000
215766	Onestone Lake	11	11	81-110	10.03	\$7,000
215767	Onestone Lake	12	11	81-110	11.23	\$7,900
215793	Onestone Lake	2	17	81-110	10.00	\$7,000
215794	Onestone Lake	3	17	81-110	10.82	\$7,600
217096	Skwentna Flats Rem	C		85-162	15.2	\$19,800
228363	Yentna RRCS	6		2003-12	20.00	\$32,000

**B. SUMMARY OF REVIEW**

1. DATE of REVIEW: February 11, 2008
2. REVIEWER'S CLIENT: DNR Other: _____
3. INTENDED USERS of the REVIEW: DNR General Public Other: _____
4. INTENDED USE of the REVIEW: Establish minimum bid price for sealed bid auction
5. PURPOSE of REVIEW: Evaluate for Technical Compliance with DNR Instructions & USPAP
 Evaluate for Technical Compliance with UASFLA Develop Independent Estimate of Value
 Other: _____
6. SCOPE OF REVIEW: I Inspected the Subject on _____ I Did Not Inspect the Subject
 I Inspected the Comparable Sales on _____ I Did Not Inspect the Comparable Sales
 I Independently Verified the Comparable Sales in the Report Yes No
 Data and Information Considered in Addition to that Contained in the Report: None See Sections C thru F
 Extraordinary Assumptions, Hypothetical Conditions, & Other Limiting Conditions for this review:
 None See Section G Related appraisals reviewed: _____
 Proofread DNR data entry: Yes No
7. RESULTS OF REVIEW: Not Approved Approved Approved Value: As noted in previous table

C. COMPLETENESS OF APPRAISAL MATERIAL WITHIN SCOPE OF WORK APPLICABLE TO THE ASSIGNMENT/CONFORMANCE with APPRAISAL INSTRUCTIONS: Adequate.**D. ADEQUACY and RELEVANCE of APPRAISAL DATA and PROPRIETY OF ADJUSTMENTS: Adequate****E. APPROPRIATENESS OF APPRAISAL METHODS and TECHNIQUES: Adequate.****F. ANALYSES, OPINIONS, and CONCLUSIONS ARE APPROPRIATE and REASONABLE, except: Appropriate****G. REVIEWER'S ASSUMPTIONS AND LIMITING CONDITIONS**

1. This review is based on data and information contained in the appraisal report as well as any additional data from other sources that is identified in this review.
2. The reviewer assumes that the data and information in the appraisal are factual and accurate.
3. The reviewer reserves the right to consider any additional data or information that may subsequently become available, and to revise an opinion or conclusion, if such data and information warrant a revision.
4. All assumptions and limiting conditions contained in the appraisal report are part of this review unless otherwise stated.
5. A title report has not been provided to the appraiser and the reviewer. Unless specifically noted in the report or this review, it is assumed that the only easements and restrictions that affect the property are those shown on the plat.
6. The value of commercial timber, if any, is specifically excluded from the final conclusion of value.



REVIEW APPRAISER'S CERTIFICATION APPRAISAL NO. 3500

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

- The facts and data reported by the reviewer and used in the review process are true and correct.
- The analyses, opinions, and conclusions in this review report are limited only by the assumptions and limiting conditions stated in this review report, and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and I have no personal interest or bias with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or use of, this review.
- My analyses, opinions, and conclusions were developed and this review report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- I did did not personally inspect the subject property of the report under review.
- No one provided significant professional assistance to the person signing this review report.

Reviewed by Kevin Hindmarch
Kevin Hindmarch, Review Appraiser

Date 2/11/08

cc: Jeffrey Bruno
Tony Wagner

MEMORANDUM

State of Alaska

Department of Natural Resources

Tel (907) 269-8539

Fax (907) 269-8914

johnthomas_williamson@dnr.state.ak.us

Division of Mining, Land & Water

550 West 7th Avenue, Suite 650

Anchorage AK 99501-3576

DATE: February 11, 2008

TO: Kevin Hindmarch
Review Appraiser

FROM Johnthomas Williamson
Appraiser I



SUBJECT: Appraisal of 28 parcels within the following subdivisions; Johnson Creek RRCS, Lockwood Lake RRCS, Ninemile RRCS, Onestone Lake, Skwentna Flats Remote, and Yentna RRCS.

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. 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 the subject parcels and most of the comparable sales used in this report (aerial only). 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 my observations and analyses of all available data, I have formed an opinion of the market values as of the effective date of value.

TABLE OF CONTENTS

INTRODUCTION

Title Page	
Letter of Transmittal	ii

PREMISES OF THE APPRAISAL

Appraisal Summary	2
Type of Appraisal and Report	3
Purpose and Use of the Appraisal	3
User and Client Identity	3
Property Rights Appraised	3
Definition of Market Value	3
Effective Date of Value Estimate	3
Exposure Time	4
Property History	4
Scope of the Appraisal	5
Assumptions and Limiting Conditions	6

PRESENTATION OF DATA

Area Analysis	7
Parcel Descriptions	9

DATA ANALYSIS AND CONCLUSION

Highest and Best Use	18
Approaches to Value	19
Adjustments	20
Data Analyses and Conclusion	21
Certification of Value	43

ADDENDA

Subject Surveys	
Size Adjustment Chart	
Notes on Adjustments	
Comparable Sale Forms & Surveys	
Special Appraisal Instructions	
Appraiser Qualifications	

APPRAISAL SUMMARY

Location and Legal Description

Subdivision Name	Location	Legal Description
Johnson Creek RRCS	Off the north bank of the Skwentna River, 7 miles west of Shell Lake	Tract P of ASLS 2003-10
Ninemile RRCS	7 miles east of Amber Lake, 4 miles west of Parks Highway – Susitna River Bridge	Within ASLS 2003-43
Lockwood Lake RRCS	17 miles due west of Willow, east of Lockwood Lake	Tracts G, H, I & D of ASLS 2003-46
Onestone Lake	10 miles west of Skwentna, southeast of Shell Lake	Within ASLS 81-110
Skwentna Flats Remote Odd Lot	7 miles southeast of Skwentna, 3.5 miles northeast of Eightmile Lake	Tract C of ASLS 85-162
Yentna RRCS	Off Yentna River, 2 miles south of the Big Bend	Tract 6 of ASLS 2003-12

Summary of Values

ADL	Subdivision	Lot or Tract	Block	ASLS	Acres	Value
228586	Johnson Creek RRCS	P		2003-10	13.21	\$18,500
229061	Lockwood Lake RRCS	G		2003-46	18.01	\$12,400
229062	Lockwood Lake RRCS	H		2003-46	15.22	\$10,100
229063	Lockwood Lake RRCS	I		2003-46	18.54	\$15,100
229064	Lockwood Lake RRCS	D		2003-46	10.72	\$8,600
229065	Ninemile RRCS	B		2003-43	16.72	\$18,300
229066	Ninemile RRCS	G		2003-43	11.19	\$13,200
229067	Ninemile RRCS	H		2003-43	13.11	\$17,000
228838	Ninemile RRCS	I		2003-43	11.82	\$15,800
229076	Ninemile RRCS	J		2003-43	15.42	\$17,000
229070	Ninemile RRCS	K		2003-43	13.04	\$15,300
229069	Ninemile RRCS	L		2003-43	10.99	\$11,600
229068	Ninemile RRCS	M		2003-43	15.69	\$17,100
215743	Onestone Lake	2	8	81-110	10.00	\$7,000
215749	Onestone Lake	1	9	81-110	11.14	\$7,800
215759	Onestone Lake	3	11	81-110	10.00	\$7,000
215760	Onestone Lake	4	11	81-110	14.00	\$9,000
215761	Onestone Lake	5	11	81-110	10.00	\$7,000
215762	Onestone Lake	6	11	81-110	10.00	\$7,000
215763	Onestone Lake	7	11	81-110	10.00	\$7,000
215764	Onestone Lake	8	11	81-110	10.03	\$7,000
215765	Onestone Lake	10	11	81-110	10.00	\$7,000
215766	Onestone Lake	11	11	81-110	10.03	\$7,000
215767	Onestone Lake	12	11	81-110	11.23	\$7,900
215793	Onestone Lake	2	17	81-110	10.00	\$7,000
215794	Onestone Lake	3	17	81-110	10.82	\$7,600
217096	Skwentna Flats Rem	C		85-162	15.2	\$19,800
228363	Yentna RRCS	6		2003-12	20.00	\$32,000

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 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

June 14, 2007.

Date of Report

February 11th 2008.

¹ The Appraisal of Real Estate, Twelfth Edition, Appraisal Institute, 2001, p.69

² Alaska Statutes Title 38, Public Land Article 5, State of Alaska, 2006, pp. 599-600

³ The Appraisal of Real Estate, Twelfth Edition, Appraisal Institute, 2001, p.22

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..."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.

Several parcels are currently listed in the area. Difficult and inconsistent access is the primary factor in the amount of time that these parcels require on the market. The subject parcels are considered average to below average when compared with more accessible properties available on the market. Based on exposure time for similar properties, the estimated values are based on an exposure time of up to three years.

Property History

Subjects within Johnson Creek, Lockwood Lake, Ninemile, and Yentna areas were recently surveyed under various Remote Recreational Staking offerings. Subjects were either surveyed as administrative parcels or staked by individual applicants.

The Skwentna Flats subject (ADL 217096) was under lease to an individual until 1989, when DNR terminated the lease due to non-payment. Subjects within the Onestone Lake area had been available for purchase through the DNR Over-the-Counter offering until recently pulled for reassessment.

None of the subject parcels have been sold within the last three years. The State of Alaska, DNR is the current owner of record for all of the subject parcels, see specific property descriptions for more details

⁴ Uniform Standards of Professional Appraisal Practice 2007,
<http://commerce.appraisalfoundation.org/html/2007%20USPAP/toc.htm>.

Scope of the Appraisal

Property and Comparable Sales Inspection

I inspected the subject property and most of the comparable sales on June 14, 2007. The parcels were examined by aerial inspection only. Physical features and access were identified by use of physical 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, pilots, 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 Recorders 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.

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. Due to the lack of on-site inspections for the subject parcels (aerial inspection only) some physical features are assumed based on conversations with those knowledgeable about the area and interpretation of existing maps and aerial photography. The appraiser reserves the right to modify the value conclusions if an on-site inspection reveals a variation in site features from those assumed in this report.
11. Unless noted, the existence of personal property or improvements, if any, could not be confirmed. The properties are appraised "as vacant".
12. 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.

Hypothetical Condition

The Department of Natural Resources is in the process of authorizing an additional access easement near the Onestone Lake subject parcels. This easement is intended to be used as a portion of the Iron Dog Snowmobile Race. The valuation of these subject parcels assumes that the authorization is finalized. Please note, all subjects currently have legally protected access.

PRESENTATION OF DATA

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:

The population of the Mat-Su Borough consists of 8.6% Alaska Native or part Native. 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. During the 2000 U.S. Census, total housing units numbered 27,329, and vacant housing units numbered 6,773. Vacant housing units used only seasonally numbered 5,244. U.S. Census data for Year 2000 showed 25,356 residents as employed. The unemployment rate at that time was 10.3 percent, although 40.63 percent of all adults were not in the work force. The median household income was \$51,221, per capita income was \$21,105, and 11.01 percent of residents were living below the poverty level. The 2005 population was 74,041 (State Demographer est).

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. 244 borough residents hold commercial fishing permits.

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 35 schools located in the borough, attended by 13,733 students.

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.

⁵ All information regarding neighborhood information derived from <http://www.matsugov.us/Planning>. & <http://www.commerce.state.ak.us/dca/commdb/CIS.cfm>

Skwentna Neighborhood

Skwentna lies on the south bank of the Skwentna River at its junction with Eight Mile Creek, 70 air miles northwest of Anchorage in the Mat-Su Borough. It lies in the Yentna River valley, within the Anchorage Recording District. There is no road access from the George Parks Highway -- residents are dependent upon air travel and snowmachines. A State-owned 3,400' long by 75' wide gravel airstrip is available. A private airstrip and float plane access are located at Alexander Lake.

Skwentna residents are scattered over a large area of land. It has a number of seasonal-use homes with individual water wells, but septic tanks are rare. Consequently very few homes are fully plumbed and outhouses are the primary means of sewage disposal. There is no central electric system. Funds have been provided to purchase a community refuse incinerator; however, the community is undecided on a refuse solution. An unpermitted dump site near the airport is currently being used by several families, but most residents burn and bury their own refuse.

Susitna Neighborhood

Susitna is located on the west bank of the Susitna River, at the foot of Mount Susitna. It lies 30 air miles northwest of Anchorage, west of Big Lake, in the Mat-Su Borough, within the Anchorage Recording District.

The community is not accessible by road. The Iditarod Sled Dog trail passes through the community. Charter float planes provide transportation and cargo from Anchorage. The River is often shallow, so air boats and jet-propulsion river boats are necessary for travel. Recreational fishing, guiding and rafting on the Susitna River occur during summer months.

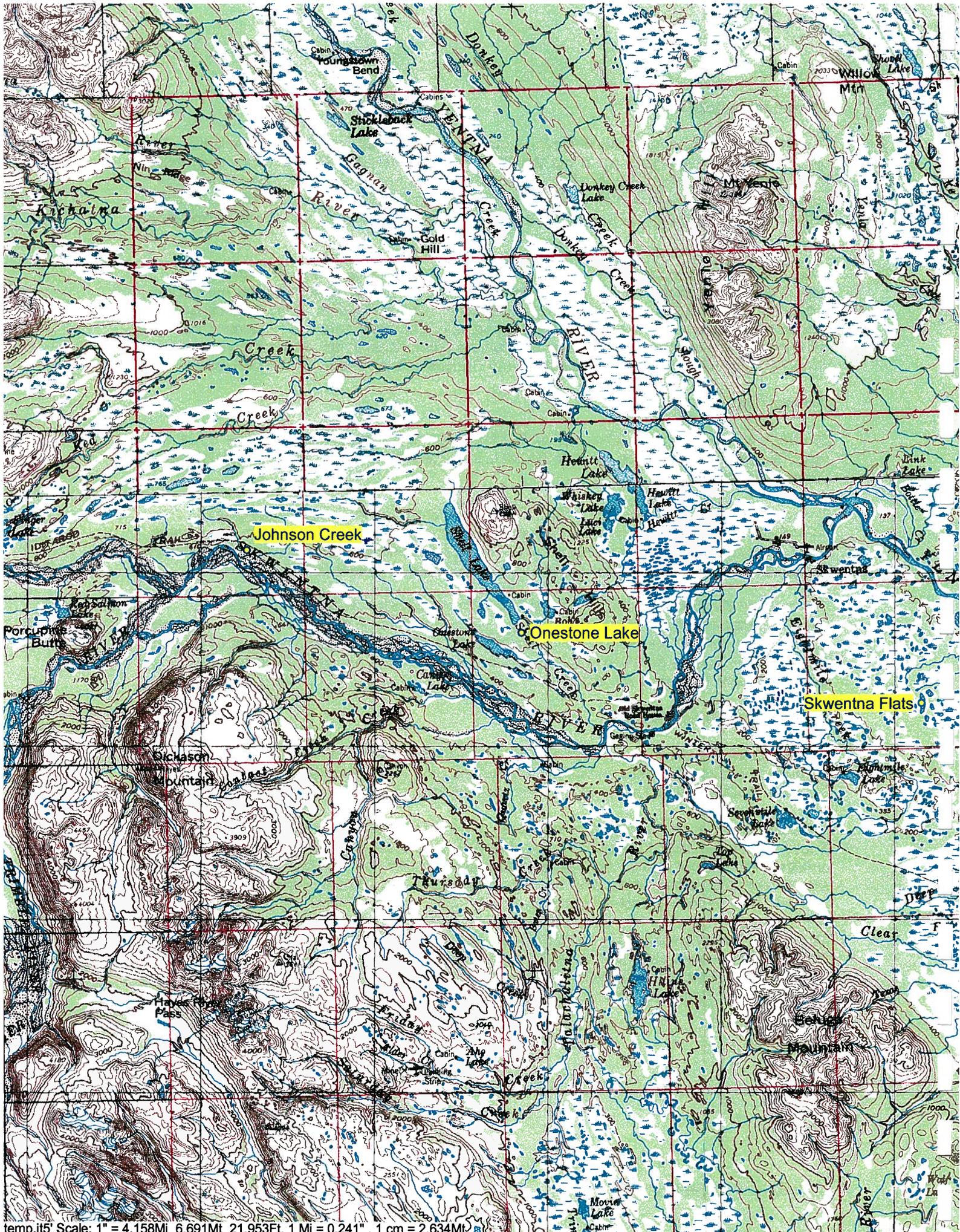
The majority of homes use creek water, but many have individual wells. Outhouses are the primary means of sewage disposal - only a few homes have septic tanks. Almost 85% of homes have running water in the kitchen, but only a minority have complete plumbing. Over 80% of the 100 houses in Susitna are used only seasonally. Some residents are commercial fishermen; others are retired. There is no central electric system.

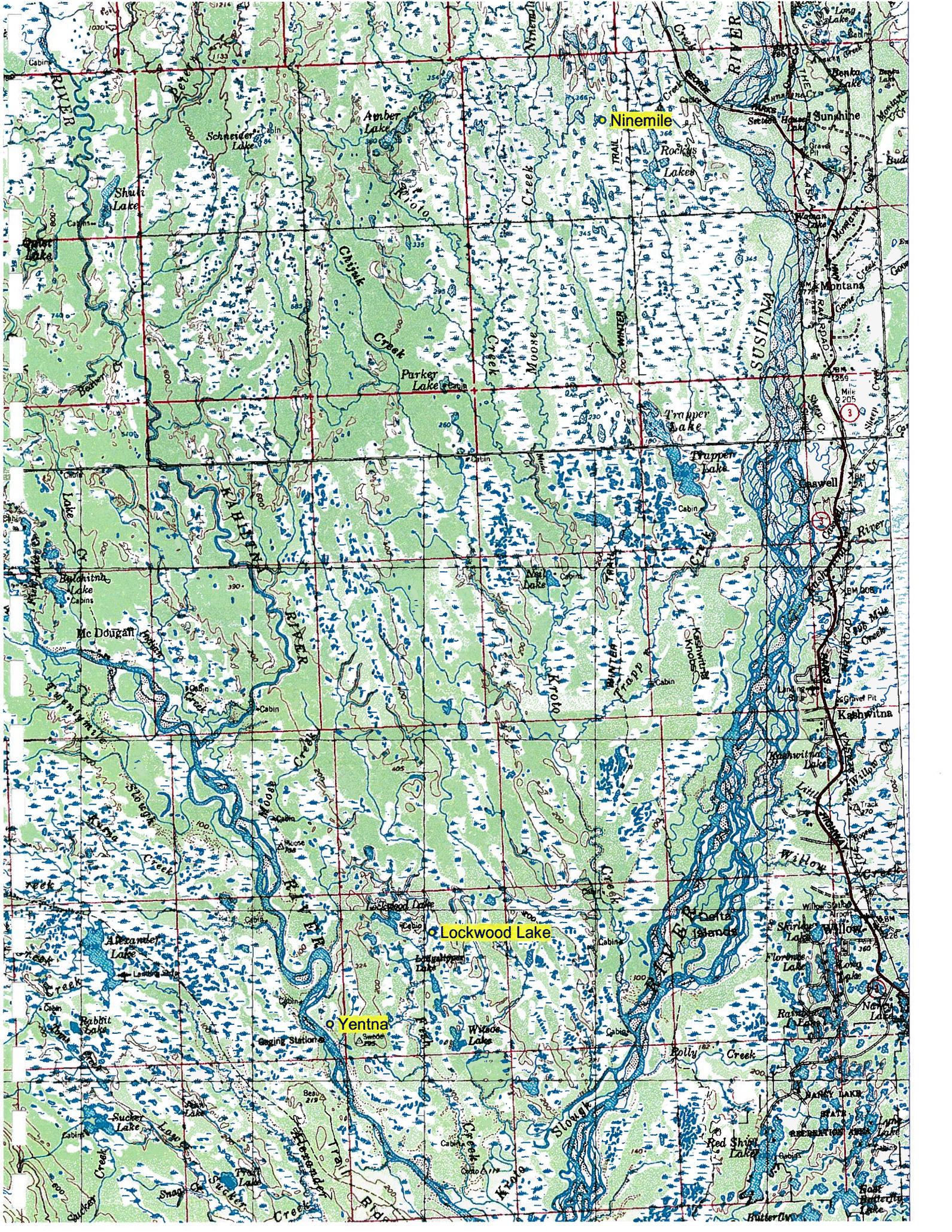
Trapper Creek Neighborhood

Trapper Creek lies between mile 107 and 133 of the George Parks Highway, in the Mat-Su Borough. It lies about 17 miles north of the Talkeetna Spur Road, and west of the junction of the Chulitna, Susitna and Talkeetna Rivers within the Talkeetna Recording District.

Subsistence and sporting activities are an integral part of the lifestyle, some residents are retired. Those who are employed work in a variety of industries such as education, transportation and construction. Trapper Creek has developed from homesteading through the 1960s, and some recent new subdivisions. Recreation, hunting, snowmobiling and dog mushing are popular activities. Middle and high school students attend Susitna Valley in Y, at Milepost 98

The majority of occupied homes use individual wells and septic tanks, while the school operates its own permitted well water system. A Borough refuse transfer station is located at mile 15.3 of the Parks Hwy. Electricity is available on Petersville Road for approximately 6 miles west of the Parks Highway. Residents beyond this point use individual generators.





Ninemile

Lockwood Lake

Yentna

SUSITNA RIVER

McDougan

Rolly Creek

Willow Creek

Shuli Lake

Amber Lake

Trapper Lake

Alexander Lake

Wade Lake

Islands

Shirley Lake

Sucker Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

Wade Lake

Flour Lake

Sucker Lake

Wade Lake

Red Shirt Lake

Wade Lake

Belchitna Lake

Parker Lake

Trapper Lake

Rabbit Lake

Lockwood Lake

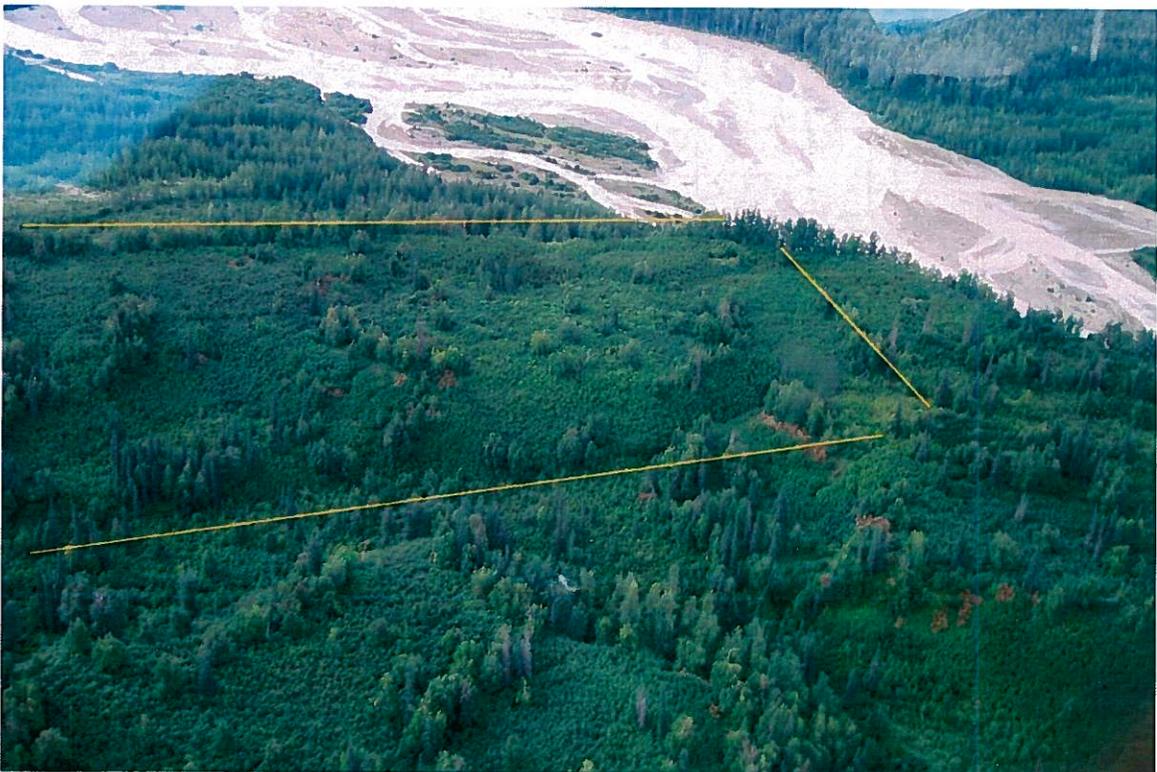
Wade Lake

Flour Lake

Sucker Lake



Tract P of ASLS 2003-10



Tract P looking south

Johnson Creek Property Description

Legal Description

ADL 228586 – Tract P of ASLS 2003-10 recorded as plat 2005-168 in the Anchorage Recording District

Location

ADL 228586 is located off the northern bank of the Skwentna River about 1 mile upstream from the confluence with the Hayes River, 7 miles west of Shell Lake, 20 miles west of Skwentna.

Access

The Skwentna River allows for floatplane access or wheeled plane landings along the many local gravel bars. Shallow-draft boat and snowmachine access is also possible along the river corridor.

Size, Shape & Topography

The parcel is 13.21 acres, irregularly shaped, and characterized by a level plateau with a steep bluff to the south descending to the Skwentna River drainage. The parcel is approximately 500 feet above sea level.

Soils/Vegetation

The parcel contains primarily spruce & alder mix with sparse hardwoods. Vegetation is indicative of adequately drained soils.

Utilities, Water & Sewer

None. 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. The survey plat indicates 30' public access and utility easements along all lot lines. Additionally, a 100' wide section line easement bisects the eastern portion of the parcel, encumbering 1.033 acres.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments⁶

Subject is Matanuska-Susitna Borough Tax Parcel 5801000T00P, which was assessed in 2007 at \$1,200 with a mill levy rate of 10.014. There is no tax burden assessed to the State of Alaska from the Mat-Su Borough. Tax assessments to private parties will become active when property is sold into private ownership.

Ownership History

The parcel was staked during the 2002 Remote Recreational Cabin Site program. DNR leased the parcel to the staking applicant until June 22, 2006 at which point the lease was terminated due to non-payment. DNR is the current owner of record.

Personal Property

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

Adjacent Land Use

The surrounding area is predominantly characterized by wildlife habitat and recreational use.

⁶ <http://www.matsugov.us/realpropertyquery/detail> accessed 01-08-2007



Tract D of ASLS 2003-46
Note, the airstrip to the south is on private land.



Tract D of ASLS 2003-46

Lockwood Lake Property Description

Location

Parcels are located approximately 17 miles due west of Willow and 4 miles east of the Yentna River. Tracts G, H & I are located one half mile northeast of Lockwood Lake along an unnamed creek while Tract D is located 2 ½ miles to the southeast.

Legal Description, Size, Shape & Tax Information⁷

The following table describes the subject parcels within Lockwood Lake RRCS, ASLS 2003-46 recorded as plat 2006-7 within the Talkeetna Recording District. 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 2007 mill rate for Lockwood Lake RRCS was 10.014.

ADL	Tract	Acres	Shape	Tax ID	2007 Assessment
229061	G	18.01	irregular	5861000T00G	\$11,700
229062	H	15.22	irregular	5861000T00H	\$11,400
229063	I	18.54	irregular	5861000T00I	\$12,100
229064	D	10.72	rectangular	5861000T00D	\$8,600

Access

Access is via floatplane to one of the many lakes in the area, then overland. It is possible to access all lots via snowmachine during the winter.

Topography

Subject parcels are entirely level, lying approximately 200 feet above sea level.

Soils/Vegetation

Vegetation varies from wetlands to mature spruce forest. The northeast corner of Tract D and a large portion of Tract H have poorer soils and contain wetlands. However, all of the parcels have at least multiple suitable building sites.

Utilities, Water & Sewer

None. 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.

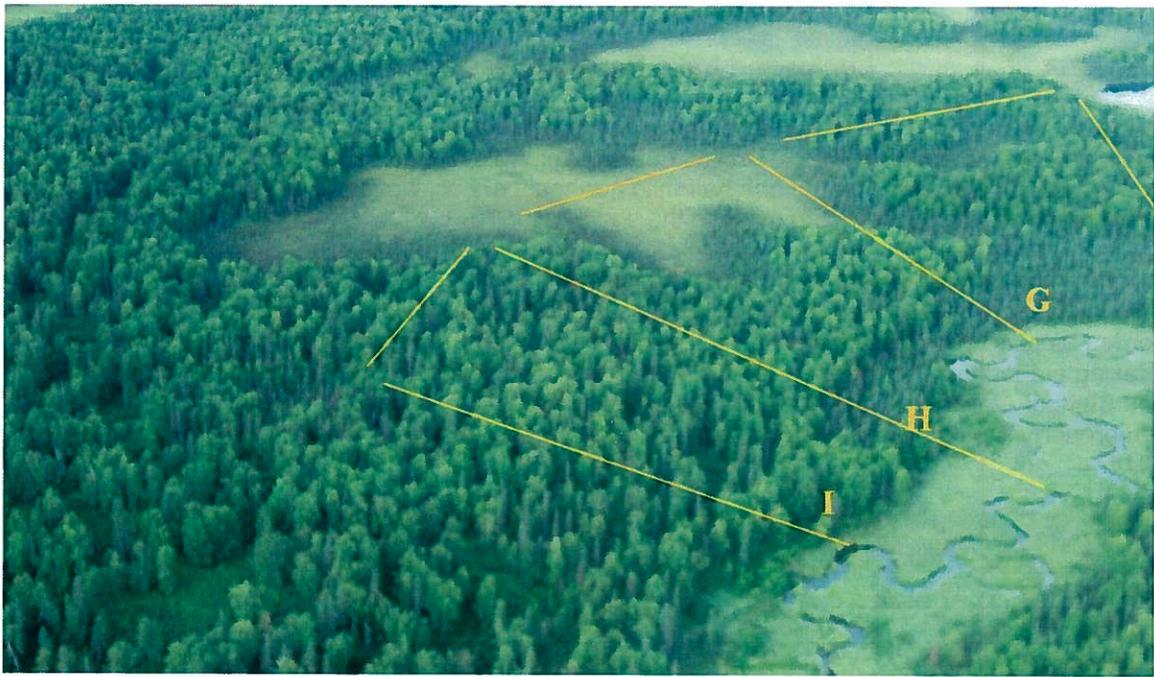
Easements & Zoning Regulations

No zoning, the subjects are located within an unregulated area of the Mat-Su Borough. The survey plat indicates a 50' public access easement along the meander of the unnamed creek and 30' access & utility easements along all additional lot lines.

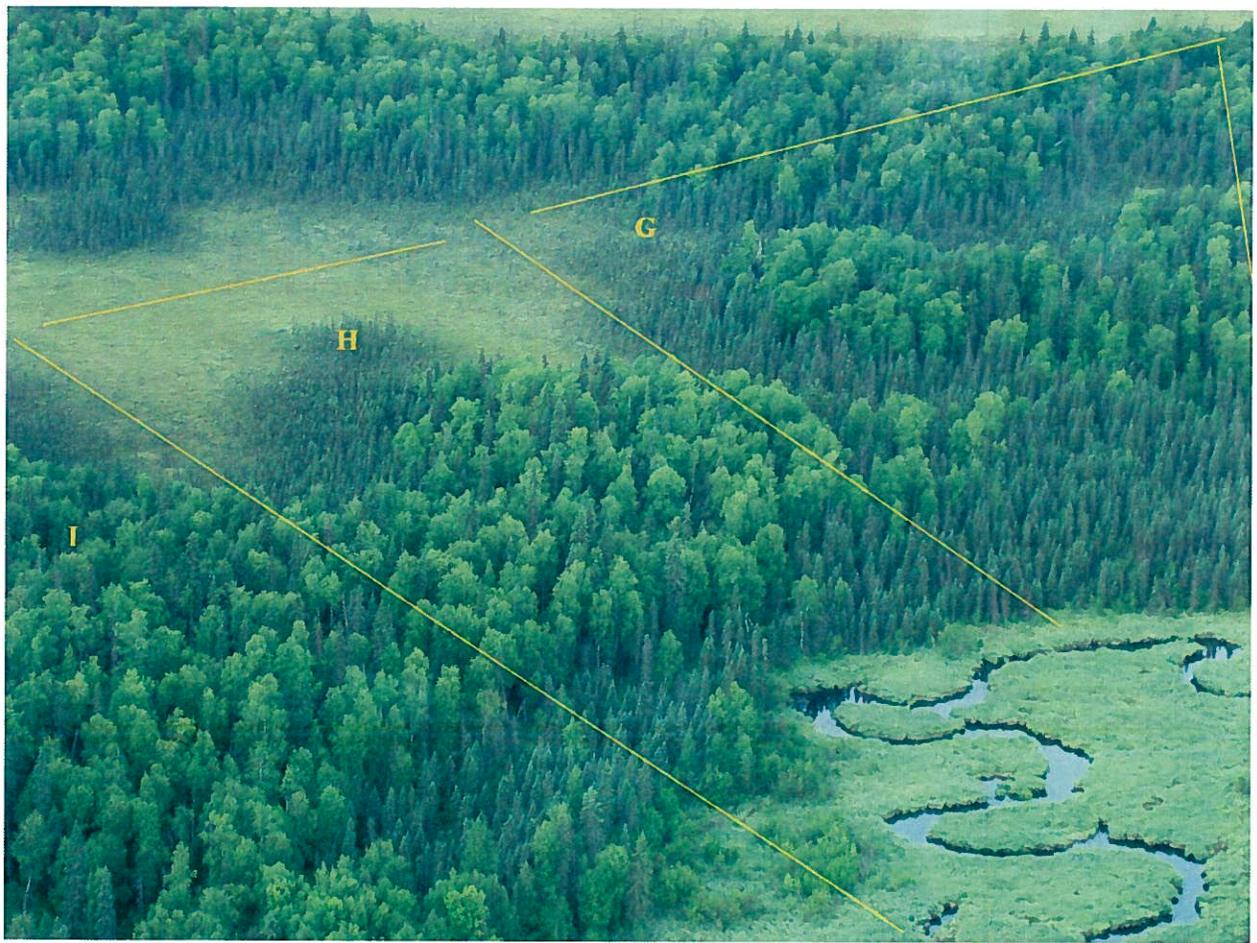
Environmental Hazards, Hazardous Waste & Toxic Materials

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

⁷ Ibid



Tracts H, I & J of ASLS2003-46



Ownership History

The subjects were surveyed during the 2002 Remote Recreational Cabin Site program as administrative parcels, and have not been encumbered by a private-party lease. DNR is the current owner of record.

Personal Property

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

Adjacent Land Use

The surrounding area is predominantly characterized by mixed remote recreational and wildlife habitat with few cabins in the immediate area.



Tract B of ASLS 2003-43



Tract G of ASLS 2003-43

Ninemile Property Description

Location

The subdivision is located approximately 7 miles east of Amber Lake, 10 miles south of Petersville Road, and 4 miles west of the Parks Highway – Susitna River Bridge.

Legal Description, Size, Shape, & Tax information⁸

The following table describes the subject parcels within Ninemile RRCS, ASLS 2003-43 recorded as plat 2006-13 within the Talkeetna District. 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 2007 mill rate for Ninemile RRCS was 13.294.

ADL	Tract	Acres	Shape	Tax ID	2007 Assessment
229065	B	16.72	Irregular	5919000T00B	\$12,500
229066	G	11.19	Irregular	5919000T00G	\$10,100
229067	H	13.11	Irregular	5919000T00H	\$11,100
228838	I	11.82	Irregular	5919000T00I	\$10,600
229076	J	15.42	Rectangular	5919000T00J	\$13,100
229070	K	13.04	Irregular	5919000T00K	\$11,100
229069	L	10.99	Rectangular	5919000T00L	\$9,900
229068	M	15.69	Rectangular	5919000T00M	\$11,800

Access

All subjects are adjacent to floatplane accessible lakes. In addition, there are several constructed trails that run west from the Parks Highway to the general area, making snow machine and ATV access possible.

Topography, Soils & Vegetation

The subjects are roughly 350 feet above sea level and level. The subdivision consists of patches of mixed spruce and birch forest divided by wetland drainages. Areas vegetated with hardwoods consist of Tokosina Undulating Chunilna complex, while other areas contain more hydric soils. Additionally, portions of Tracts L & K & G contain wetlands.

Utilities, Water & Sewer

None. 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. The survey plat indicates a 50' public access easement along the meander of the lakefront, and 30' access & utility easements along all additional lot lines. There is a protracted 50' section line easement bisecting Tracts J, L and B.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Ownership History

All subject parcels were surveyed during the 2003 Remote Recreational Cabin Site program. The applicant who staked ADL 228838 (Tract I) failed to sign a lease with DNR, so the application

⁸ <http://www.matsugov.us/realpropertyquery/detail> accessed 01-08-2007



Tract H of ASLS 2003-43



Tract H of ASLS 2003-43 in lower right hand corner of photo

was terminated on 12-07-2004 and the parcel was not encumbered. The remaining tracts were surveyed as administrative parcels and have never been offered to the public. DNR is the owner of record.

Personal Property

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

Adjacent Land Use

The surrounding area is characterized by wildlife habitat and recreational use.



Above - Tract I of ASLS 2003-43



Tract J of ASLS 2003-43



Tract J of ASLS 2003-43



Tract K of ASLS 2003-43



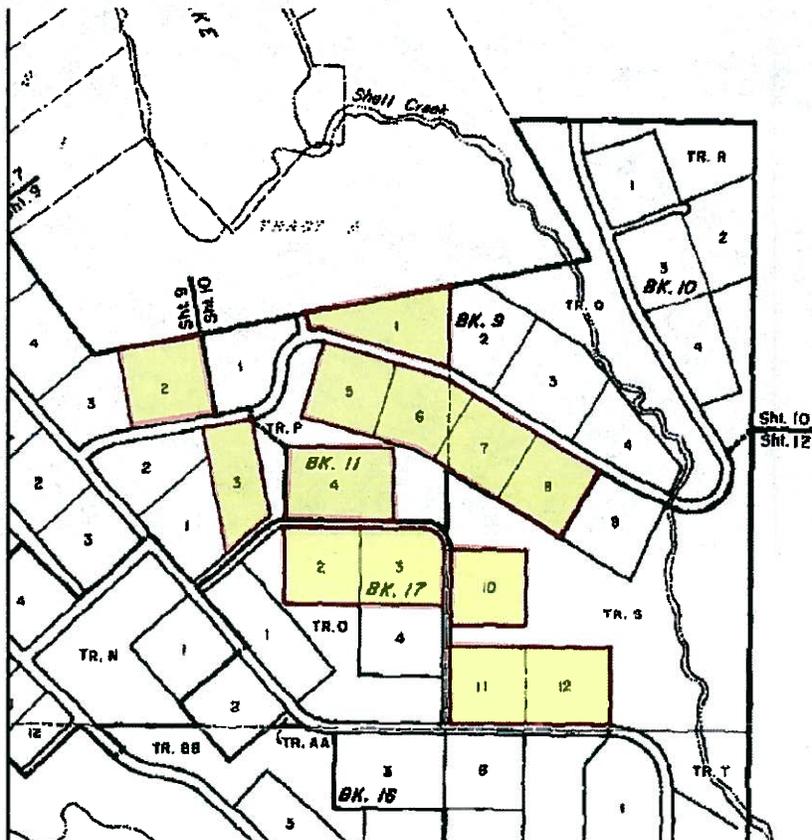
Tract L of ASLS 2003-43



Tract M of ASLS 2003-43



Onestone Lake Subdivision ASLS 81-110 looking north. Shell Lake in background. Subjects are located in foreground, south of the lake.



Onestone Lake Property Description

Location

The subjects are located approximately 10 miles west of Skwentna, 1 mile east of Onestone Lake and ¼ mile southeast of Shell Lake, west of Shell Creek.

Legal description, Size, Shape & Tax Information⁹

The following table describes the subject parcels within Onestone Lake Subdivision, ASLS 81-110 recorded as plat 82-71 within the Anchorage Recording District. 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. Tax assessments to private parties will become active when property is sold into private ownership. These subjects have not been assessed by the borough; yet the 2007 mill rate for Onestone Lake Subdivision was 10.014.

ADL	Lot	Block	Acres	Shape	Tax ID
215743	2	8	10.00	rectangular	2290B08L002
215749	1	9	11.40	irregular	2290B09L001
215759	3	11	10.00	irregular	2290B11L003
215760	4	11	14.00	rectangular	2290B11L004
215761	5	11	10.00	rectangular	2290B11L005
215762	6	11	10.00	rectangular	2290B11L006
215763	7	11	10.00	rectangular	2290B11L007
215764	8	11	10.03	rectangular	2290B11L008
215765	10	11	10.00	rectangular	2290B11L010
215766	11	11	10.03	rectangular	2290B11L011
215767	12	11	11.23	rectangular	2290B11L012
215793	2	17	10.00	rectangular	2290B17L002
215794	3	17	10.82	rectangular	2290B17L003

Access

The main mode of access is via snowmachine along the Iron Dog Snowmachine route, also known as the Shell Hills Trail reroute. Alternatively, it is possible to access the subjects via floatplane to Shell Lake, then overland.

Topography

The subjects are roughly 450 feet above sea level and characterized by rolling topography with multiple level building sites.

Soils/Vegetation

The subjects contain mixed spruce and birch forest with alder underbrush. Vegetation is indicative of adequate drainage with sparse patches of wetlands.

Utilities, Water & Sewer

None. 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.

⁹ <http://www.matsugov.us/realpropertyquery/detail> accessed 01-08-2007

Easements & Zoning Regulations

No zoning, the subjects are located within an unregulated area of the Mat-Su Borough. The survey plat indicates a 10' utility easement on each side of all common lot lines, and a 20' utility easement along lot lines adjacent to rights of way.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Ownership History

In 2001, the subject parcels were offered to the public through the DNR Sealed Bid Auction. None of the subjects received bids and subsequently were available for purchase over-the-counter. The subjects remained available until Spring of 2007, when the subjects were pulled from the over-the-counter offering due to a proposed rerouting of the Iron Dog Snowmobile race route along Shell Hills Trail. DNR is the current owner of record.

Personal Property

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

Adjacent Land Use

The surrounding area is characterized by wildlife habitat and recreational use.



Tract C of ASLS 85-162



Skwentna Flats Property Description

Legal Description

ADL 217096 – Tract C of ASLS 85-162, recorded as Plat 92-02 in the Anchorage District.

Location

The parcel lies on the western shore of an unnamed lake 7 miles southeast of Skwentna, 6 miles west of McDougall and 3.5 miles northeast of Eightmile Lake.

Access

The adjacent unnamed lake is floatplane/skiplane accessible. Snowmachine access is possible along seismic line trails throughout the area, then overland.

Size, Shape & Topography

The irregularly shaped, 15.2 acre subject is entirely level, lying approximately 200 feet above sea level.

Soils/Vegetation

Vegetation consists of mature mixed spruce/birch forest with minimal areas of hydric vegetation indicating poorer soils towards the western portion of the parcel. The majority of the parcel appears to have adequate drainage with good vegetation.

Utilities, Water & Sewer

None. 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. The survey plat indicates a 50' access easement along the lakeshore, with 25' access easements along remaining lot lines.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments¹¹

Subject is Matanuska-Susitna Borough Tax Parcel, 3560000TC which was assessed in 2007 at \$22,000 with a mill levy rate of 10.014. There is no tax burden assessed to the State of Alaska from the Mat-Su Borough. Tax assessments to private parties will become active when property is sold into private ownership.

Ownership History

The subject was offered by DNR under the 1983 Homesite Program, and surveyed in 1989. The lease was terminated due to non-payment in 1989, at which point the parcel reverted back to the State of Alaska. The parcel has not been offered since; DNR is the owner of record.

Personal Property

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

Adjacent Land Use

The surrounding area is characterized by recreational use and wildlife habitat.

¹¹ Ibid



Tract 6 of ASLS 2003-12

Yentna Property Description

Legal Description

ADL 228363 – Tract 6 of ASLS 2003-12, recorded as Plat 2006-3 in the Talkeetna District.

Location

The subject parcel is located off the eastern bank of the Yentna River, along the Yentna River, 2 miles south of the Big Bend, 14 miles upstream from the confluence with the Susitna River.

Access

Main access is via jet-boat or snowmachine along the Yentna River, then overland to subject.

Size & Shape

The parcel is 20.00 acres and semi-rectangular.

Topography

The subject is 100 feet above sea level, characterized by a generally level plateau along a bluff overlooking a marshy area, giving way to the Yentna River.

Soils/Vegetation

Vegetation consists of mixed birch and spruce forest. Vegetation is indicative of adequately drained soils.

Utilities, Water & Sewer

None. 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. The survey plat indicates a 30' public access and utility easements along all lot lines.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments¹¹

Subject is Matanuska-Susitna Borough Tax Parcel 5834000T006, which was assessed in 2007 at \$11,000 with a mill levy rate of 10.014. There is no tax burden assessed to the State of Alaska from the Mat-Su Borough. Tax assessments to private parties will become active when property is sold into private ownership.

Ownership History

The subject was staked during the 2002 Remote Recreational Cabin Site offering. DNR entered into a lease with the staking applicant and the parcel was surveyed in 2003. Subsequently the lease was relinquished by the applicant on March 24, 2004. DNR is the current owner of record.

Personal Property

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

Adjacent Land Use

The surrounding area is characterized by wildlife habitat and recreational use.

¹¹ Ibid

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."¹³

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 subject parcels are 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. Therefore, almost any legal use of the site would be possible.

Physically Possible

The subject parcels range in size from 10 to 20 acres. The size and physical characteristics are adequate to support all reasonable and probable uses.

Financially Feasible

Surrounding land use is primarily recreational or wildlife habitat. Development of the parcel depends on the amount of resources the owner is willing to allocate for recreational or rural residential needs.

Maximally Productive

Maximally productive use is the use that produces the maximum return from the proceeds of a sale or lease. Access to fishing, hunting, snow machining and general recreation are the primary motivations for 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 a private recreation cabin site.

¹³ The Appraisal of Real Estate, Twelfth Edition, Appraisal Institute, 2001, p.306