

MARKET VALUE APPRAISAL

Of

Forty Seven (47) remote parcels located near

**Geskakmina Lake ASLS 81-55
Kindamina Lake ASLS 81-218
and Dune Lake ASLS 81-56**



Dune Lake looking northwest

APPRAISAL REPORT No. 3506

**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. 3506**

1. ADL NO(S): See table below
2. SIZE: Various, as noted in table
3. APPLICANT: N/A
4. LOCATION: Remote parcels 25 to 40 miles northwest of Nenana, AK
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 12, 2009
10. DATE of VALUE(S): July 21, 2008
11. APPRAISED VALUE(S):

ADL	Subdivision	Lot	Block	ASLS	Acres	Value
409195	Kindamina Lake	1	6	81-218	9.589	\$5,500
407340	Geskakmina Lake	1	1	81-55	4.902	\$6,900
415567	Geskakmina Lake	2	1	81-55	4.991	\$7,000
407342	Geskakmina Lake	3	1	81-55	4.976	\$7,000
415569	Geskakmina Lake	4	1	81-55	4.997	\$7,000
415571	Geskakmina Lake	6	1	81-55	4.975	\$7,000
415573	Geskakmina Lake	8	1	81-55	4.953	\$3,100
407386	Geskakmina Lake	3	2	81-55	4.809	\$6,700
407348	Geskakmina Lake	4	2	81-55	4.806	\$6,700
407350	Geskakmina Lake	6	2	81-55	4.878	\$3,000
407351	Geskakmina Lake	7	2	81-55	4.875	\$3,000
407352	Geskakmina Lake	8	2	81-55	4.901	\$3,000
407353	Geskakmina Lake	9	2	81-55	4.851	\$3,000
407354	Geskakmina Lake	10	2	81-55	4.898	\$3,000
407356	Geskakmina Lake	1	3	81-55	4.767	\$2,800
407357	Geskakmina Lake	2	3	81-55	4.721	\$2,800
407358	Geskakmina Lake	3	3	81-55	4.745	\$2,800
409144	Dune Lake	2	1	81-56	4.965	\$14,400
409145	Dune Lake	3	1	81-56	4.575	\$13,300
409087	Dune Lake	15	2	81-56	4.775	\$3,500
409088	Dune Lake	16	2	81-56	4.979	\$3,700
409089	Dune Lake	17	2	81-56	4.803	\$3,600
409085	Dune Lake	13	2	81-56	4.751	\$3,500
409086	Dune Lake	14	2	81-56	4.763	\$3,500
409084	Dune Lake	12	2	81-56	4.696	\$3,500
409083	Dune Lake	11	2	81-56	4.646	\$3,400
409082	Dune Lake	10	2	81-56	4.828	\$3,600
409081	Dune Lake	9	2	81-56	4.929	\$3,600
409080	Dune Lake	8	2	81-56	4.926	\$3,600
409079	Dune Lake	7	2	81-56	4.812	\$3,600



409078	Dune Lake	6	2	81-56	4.677	\$3,500
409077	Dune Lake	5	2	81-56	4.978	\$3,700
409148	Dune Lake	20	2	81-56	4.929	\$3,600
409147	Dune Lake	19	2	81-56	4.847	\$3,600
409146	Dune Lake	18	2	81-56	4.962	\$3,700
409152	Dune Lake	3	5	81-56	4.993	\$14,500
409154	Dune Lake	5	5	81-56	5.000	\$14,500
409157	Dune Lake	8	5	81-56	4.954	\$14,300
409113	Dune Lake	11	5	81-56	4.962	\$14,400
409118	Dune Lake	7	6	81-56	4.701	\$3,500
409159	Dune Lake	5	6	81-56	4.989	\$3,700
409158	Dune Lake	3	6	81-56	4.988	\$3,700
409141	Dune Lake	11	8	81-56	4.943	\$3,700
409139	Dune Lake	9	8	81-56	4.905	\$3,600
409137	Dune Lake	7	8	81-56	4.933	\$3,700
409135	Dune Lake	5	8	81-56	4.905	\$3,600
409132	Dune Lake	2	8	81-56	4.989	\$3,700

B. SUMMARY OF REVIEW

- DATE of REVIEW: February 17, 2009
- REVIEWER'S CLIENT: DNR Other: _____
- INTENDED USERS of the REVIEW: DNR General Public Other: _____
- INTENDED USE of the REVIEW: Establish minimum bid price for sealed bid auction
- PURPOSE of REVIEW: Evaluate for Technical Compliance with DNR Instructions & USPAP
 Evaluate for Technical Compliance with UASFLA Develop Independent Estimate of Value
 Other: _____
- 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
- 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:



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. 3506

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 Hindrarch
Kevin Hindrarch, Review Appraiser

Date 2/17/09

cc: Mary Gleason
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 12, 2009

TO: Kevin Hindmarch
Review Appraiser

FROM: Johnthomas Williamson 
Appraiser I

SUBJECT: Appraisal of 47 parcels within the following subdivisions; Geskakmina, Kindamina, and Dune Lakes.

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 parcels sold through the Subdivision Auction program under AS 38.05.035. 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.

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APPRAISAL SUMMARY

Location and Legal Description

Subdivision Name	Location	Within Survey
Kindamina	40 miles northwest of Nenana	ASLS 81-218
Geskakmina Lake	35 miles northwest of Nenana	ASLS 81-55
Dune Lake	25 miles southwest of Nenana	ASLS 81-56

Summary of Values

ADL	Subdivision	Lot	Block	ASLS	Acres	Value
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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 Subdivision 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

July 21, 2008.

Date of Report

February 12, 2009.

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

² Alaska Statutes Title 38, Public Land Article 5, State of Alaska, 2006, pp. 610

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

Exposure Time

Exposure time is defined as "...the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal..."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

On 2-2-2004, DNR sold ADL 409195 (Lot 1 Block 6 of Kindamina Lake) through a public sealed bid auction for \$4,000 to a private individual. The individual entered into a Land Sale contract with DNR, which remained active until 2-5-2007 when the contract was terminated by DNR due to non-payment. The termination is recorded as Document #2007-000021-0 within the Manley Recording District.

None of the remaining parcels have sold within the last three years. The State of Alaska, DNR is the current owner of record for all of the subject parcels.

Scope of the Appraisal**Property and Comparable Sales Inspection**

I inspected the subject parcels via aerial survey on July 21st, 2008. 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 sellers, buyers, and other knowledgeable market participants 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. 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 2006, p. 90.

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 some of the subject parcels (aerial inspection for selected subjects), 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.
13. The appraiser assumes no responsibility for legal matters. The subject lot is assumed to be free and clear of encumbrances, except as otherwise noted, and title is assumed to be marketable.

PRESENTATION OF DATA

Market Area⁵

Manley Hot Springs Neighborhood

Manley Hot Springs is a small community of 70+ residents located 5 miles north of the Tanana River, 160 road miles west of Fairbanks. The area has a cold, continental climate typical for interior Alaska with average temperatures ranging from the upper 50's in summer to -20°F in winter. Extremes have been recorded from 93°F to -70°F. Most of the residents support themselves by multiple jobs including: gold mining, tourism, government, and a semi-subsistence bartering system. Residents haul water from a community wellhouse, while public buildings have private wells. The community has a local clinic, roadhouse, landfill, and school. A federally recognized tribe (Manley Village Council) is located within the community

The most notable characteristic is the geothermal hot springs located just north of town. Naturally occurring hot springs have been an economic advantage for the community since 1902, when a mining prospector named John Karshner claimed several hot springs and started an ambitious vegetable farm. The community boomed during the gold rush era when in 1907 a hotel was built complete with 45 guest rooms, steam heat, electric lights, hot baths, a bowling alley, and an Olympic-size indoor heated swimming pool. Nowadays, tourism is still important to the local economy. One individual has developed a small-scale commercial hot springs attraction.

Nenana Neighborhood

Nenana is a railroad-based community situated where the Parks Highway crosses the Tanana River, 55 road miles south of Fairbanks. The area has a cold, continental climate typical of interior Alaska. Most of the town (215 homes) enjoy a community piped water and sewage system, which is treated at a local facility. The remaining homes rely on private wells and septic systems. Nearly all of the community residents have electricity, while refuse is collected and transported to the Denali Borough landfill. The community has a local health clinic and two schools. A federally recognized tribe (Nenana Native Association) is located within the community.

Nenana is the center of rail-to-river barge transportation for the Interior. The Yutana Barge Lines is the major private employer, supplying villages along the Tanana and Yukon Rivers each summer with cargo and fuel. 40% of the year-round employment stems from public-service jobs including city, tribe, school district, and DOT positions. Additionally, tourism is an economic boost during the summer months.

Subject Neighborhood - The Lower Kantishna

Location:

The subject parcels are located within the Lower Kantishna Area, between Nenana and Manley Hot Springs. The area is drained by the Teklanika, Kantishna, and Zitziana Rivers, all of which flow north and eventually drain into the Tanana. Subjects are located roughly between 6 to 14 miles on either side of the Kantishna River. The region has a cold, continental climate, similar to other interior areas with wide temperature ranges. Summertime temperatures reach 70°F while wintertime temperatures drop to -40°F. Estimated snowfall is roughly 50-60 inches during the winter.

Local Government:

This region lies outside of the Fairbanks – Northstar Borough and within the plating authority of the Unorganized Borough; therefore, no property taxes are assessed. There are no local schools, health care services, utilities, or other public facilities. The area is entirely rural - recreational.

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

There are no permanent communities, minor settlements, or Native villages within this area. Census data is unavailable for year-round residents.

Economy & Transportation.

Boat, snowmachine, floatplane, and ski plane are the predominant modes of transportation to and throughout the area. There are no developed roads within the Kantishna; however there are several winter trails. Economic opportunities are limited to hunting, trapping, fishing and other subsistence-based endeavors.

Dune Lake Property Description

Legal Description

See table below. Dune Lake Subdivision, ASLS 81-56, was recorded as plat 81-147 in the Fairbanks Recording District

ADL	Lot	Block	Acres	Shape	Easements
409144	2	1	4.965	Rectangular	Typical
409145	3	1	4.575	Rectangular	Typical
409077	5	2	4.978	Rectangular	Typical
409078	6	2	4.677	Irregular	10' Pedestrian on east line
409079	7	2	4.812	Irregular	10' Pedestrian on west line
409080	8	2	4.926	Irregular	Typical
409081	9	2	4.929	Irregular	Typical
409082	10	2	4.828	Irregular	Typical
409083	11	2	4.646	Rectangular	10' Pedestrian on south line
409084	12	2	4.696	Irregular	10' Pedestrian on north line
409085	13	2	4.751	Irregular	Typical
409086	14	2	4.763	Rectangular	Typical
409087	15	2	4.775	Rectangular	Typical
409088	16	2	4.979	Irregular	Typical
409089	17	2	4.803	Trapezoidal	10' Pedestrian on north line
409146	18	2	4.962	Rectangular	10' Pedestrian on south line
409147	19	2	4.847	Irregular	10' Pedestrian on west line
409148	20	2	4.929	Rectangular	10' Pedestrian on east line
409152	3	5	4.993	Rectangular	Typical
409154	5	5	5.000	Rectangular	Typical
409157	8	5	4.954	Rectangular	10' Pedestrian on south line
409113	11	5	4.962	Rectangular	Typical
409158	3	6	4.988	Rectangular	Typical
409159	5	6	4.989	Rectangular	10' Pedestrian on south line
409118	7	6	4.701	Rectangular	10' Pedestrian on north line
409132	2	8	4.989	Rectangular	Typical
409135	5	8	4.905	Rectangular	Typical
409137	7	8	4.933	Rectangular	Typical
409139	9	8	4.905	Rectangular	Typical
409141	11	8	4.943	Rectangular	Typical

Location

Dune Lake is located approximately 26 miles southwest of Nenana, roughly 10 miles southeast of the Kantishna River, and 9 miles northwest of the Teklanika River.

Access

Primary access to the parcel is by float/ski plane, however it is possible to access the area via snowmachine during the winter. Summer ATV access is not viable.

Size, Shape & Topography

Subjects range in size from 4.575 to 5.00 acres and are various shapes, and flat. See table above for specifics. The subjects range between 450 to 650 feet above sea level.

Soils/Vegetation

The subjects contain primarily black spruce & alder mix. Vegetation is indicative of adequate drainage.

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 subject is located within an unregulated area of the Unorganized Borough. Typical easements within this subdivision are described as: a 50' wide public access easement along the ordinary high water line of any waterfront, a 15' utility easement each side of common interior lot lines, a 30' utility easement within all lots located adjacent to right-of-ways, and a 30' radius at each pole location for guy wires and anchors. Additionally, eleven lots contain pedestrian easements, see above table.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments

The subject is located within the Unorganized Borough. No tax assessment is levied against this parcel.

Ownership History

None of the parcels have been sold within the past three years. 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.

Waterfront quality

The area between Nenana and Manly Hot Springs is characterized by several major drainages and numerous float-plane accessible lakes. The quality of waterfront amongst these lakes varies with the individual lake. Relative to other float plane lakes in the area, Dune Lake is generally characterized with an average to good quality shoreline.



East half of Dune lake. Majority of parcels in foreground. Block 2 rises upward away from the lake



Southern half of Dune Lake L11/B5 & L8/B5 in foreground. Lots 2&3 Block 1 on far shore



Lots 2 & 3 in Block 1



Lot 8 Block 5 in foreground looking east



North end of Dune Lake, lots 3 & 5 of Block 5 on shoreline, Block eight in foreground



Typical vegetation within Block eight

Geskakmina Lake Property Description

Legal Description

See table below. Geskakmina Lake Subdivision, ASLS 81-55, was recorded as plat 81-129 in the Fairbanks Recording District

ADL	Lot	Block	Acres	Easements	Lot Type
407340	1	1	4.902	Typical	Lakefront
415567	2	1	4.991	Typical	Lakefront
407342	3	1	4.976	Typical	Lakefront
415569	4	1	4.997	10' Pedestrian on N lot line.	Lakefront
415571	6	1	4.975	Typical	Lakefront
415573	8	1	4.953	Typical	Interior
407386	3	2	4.809	Typical	Lakefront
407348	4	2	4.806	10' Pedestrian on N lot line.	Lakefront
407350	6	2	4.878	Typical	Interior
407351	7	2	4.875	Typical	Interior
407352	8	2	4.901	10' Pedestrian on N lot line.	Interior
407353	9	2	4.851	10' Pedestrian on S lot line.	Interior
407354	10	2	4.898	Typical	Interior
407356	1	3	4.767	Typical	Interior
407357	2	3	4.721	Typical	Interior
407358	3	3	4.745	10' Pedestrian on N lot line.	Interior

Location

Geskakmina Lake is located roughly 5 miles west of the Kantishna River, 11 miles southwest of the Tanana River and 25 miles southeast of Manley Hot Springs.

Access

Primary access to the parcel is by float/ski plane, however it is possible to access the area via snowmachine during the winter. Summer ATV access is not viable.

Size, Shape & Topography

All parcels are either rectangular or slightly irregular. Subjects range in size from 4.721 to 4.997 acres and are generally flat. See table above for specific acreage. The subjects are approximately 650 feet above sea level.

Soils/Vegetation

The subjects contain primarily black spruce & alder mix with minimal hardwoods. Vegetation is indicative of poorer soils within select portions of the subdivision.

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 Unorganized Borough. Typical easements within this subdivision are described as a 50' wide public access easement along the ordinary high water line of any waterfront, a 15 foot utility easement on each side of common interior lot lines and a 30' utility easement on lot lines adjacent to rights of way. In addition, five lots contain pedestrian easements, see above table.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments

The subject is located within the Unorganized Borough. No tax assessment is levied against this parcel.

Ownership History

None of the parcels have been sold within the past three years. 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.

Waterfront quality

Relative to other float plane lakes in the area, Geskakmina Lake is generally characterized by a 'fair/poor' shoreline.



North half of Geskakmina Lake looking north. Block One highlighted



Lot 8 Block 1 on left.

Lot 6 Block 1 on Right



Block Two of Geskakmina Lake looking south. Lots 6-10 are not considered lakefront, but rather interior parcels with pond amenities.

Kindamina Lake Property Description



Legal Description

ADL 409195 – Lot 1 in Block 6 of ASLS 81-218 recorded as plat 82-5 in the Manley Recording District.

Location

Kindamina Lake is located roughly 13 miles west of the Kantishna River, 8 miles southwest of the Tanana River and 18 miles south of Manley Hot Springs. The subject parcel (ADL 409195) is located 300 feet off the eastern bank of Kindamina Lake.

Access

Primary access to the parcel is by float/ski plane, however it is possible to access the area via snowmachine during the winter. Summer ATV access is not viable.

Size, Shape & Topography

The parcel is 9.589 acres, rectangular, and flat. The parcel is approximately 500 feet above sea level.

Soils/Vegetation

The parcel contains primarily black spruce & alder mix with minimal hardwoods. Vegetation is indicative of poorer soils to the northeastern portion of the parcel.

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 Unorganized Borough. Typical easements within this subdivision are described as a 10' wide utility easement on all interior lot lines in addition to a 20 foot utility easement where the subject fronts Mooseheart Drive .

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Tax Assessments

The subject is located within the Unorganized Borough. No tax assessment is levied against this parcel.

Ownership History

The parcel was purchased on 2-2-2004 through the DNR Public Sealed Bid Auction for \$4,000. The purchaser entered into a land sale contract with DNR. The contract was active until 2-5-2007, when DNR terminated the contract due to non-payment. The termination is recorded as Document #2007-000021-0 within the Manley Recording District. 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.

Waterfront quality

Relative to other float plane lakes in the area, Kindamina Lake is generally characterized by a 'average to good' shoreline.

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, appropriately supported, and financially feasible, and that results in the highest value.”⁶

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

Legally Permissible

The 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 4.575 to 9.589 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 private recreation.

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