

**MARKET VALUE APPRAISAL  
of**

**Thirty-Six (36) parcels within  
Any Creek Remote – ASLS 93-144  
Desperation Subdivision – ASLS 81-1  
Martin Subdivision – ASLS 84-21  
Pyrite Subdivision – ASLS 2018-19**



Pond in Tract A of Pyrite Subdivision

**APPRAISAL REPORT No. 4496-0**

**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. 4496-0

1. ADL NO(S): See table below
2. SIZE: See table below
3. APPLICANT: N/A
4. LOCATION: Subdivided lots located near Fairbanks, 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: January 9, 2020
10. DATE of VALUE(S): June 12, 2019; August 29, 2019; October 3, 2019
11. APPRAISED VALUE(S):

ADL	Subdivision	Lot	Blk.	ASLS	Acres	Date of Value	Value (Rnd)
410409	Any Creek Rem	A		93-144	26.75	10-3-19	\$38,300
408184	Desperation	5	2	81-1	5.00	9-30-19	\$10,500
408185	Desperation	6	2	81-1	5.00	9-30-19	\$10,500
408186	Desperation	7	2	81-1	5.00	9-30-19	\$10,500
408188	Desperation	9	2	81-1	5.00	9-30-19	\$10,500
408190	Desperation	11	2	81-1	4.963	9-30-19	\$10,500
408194	Desperation	15	2	81-1	5.00	9-30-19	\$10,500
408199	Desperation	20	2	81-1	5.00	9-30-19	\$10,500
408200	Desperation	21	2	81-1	5.00	9-30-19	\$10,500
408202	Desperation	23	2	81-1	5.00	9-30-19	\$10,500
408204	Desperation	2	3	81-1	5.00	9-30-19	\$10,500
408205	Desperation	3	3	81-1	5.00	9-30-19	\$10,500
408206	Desperation	4	3	81-1	5.00	9-30-19	\$10,500
408208	Desperation	6	3	81-1	5.00	9-30-19	\$10,500



408209	Desperation	7	3	81-1	5.00	9-30-19	\$10,500
408210	Desperation	8	3	81-1	5.00	9-30-19	\$10,500
408212	Desperation	10	3	81-1	5.00	9-30-19	\$10,500
408213	Desperation	11	3	81-1	5.00	9-30-19	\$10,500
408214	Desperation	12	3	81-1	5.00	9-30-19	\$10,500
408215	Desperation	13	3	81-1	5.00	9-30-19	\$10,500
408218	Desperation	16	3	81-1	5.00	9-30-19	\$10,500
408228	Desperation	17	3	81-1	5.00	9-30-19	\$10,500
419089	Martin	2	7	84-21	5.36	6-12-19	\$14,800
419119	Martin	32	7	84-21	5.836	6-12-19	\$15,800
419120	Martin	33	7	84-21	6.923	6-12-19	\$17,600
419121	Martin	34	7	84-21	6.586	6-12-19	\$17,100
419122	Martin	35	7	84-21	6.688	6-12-19	\$17,200
419123	Martin	36	7	84-21	6.563	6-12-19	\$17,000
TBA	Pyrite	1	-	2018-19	13.43	8-29-19	\$63,500
TBA	Pyrite	2	-	2018-19	13.19	8-29-19	\$63,300
TBA	Pyrite	3	-	2018-19	13.43	8-29-19	\$63,500
TBA	Pyrite	4	-	2018-19	7.78	8-29-19	\$51,300
TBA	Pyrite	5	-	2018-19	5.50	8-29-19	\$41,300
TBA	Pyrite	6	-	2018-19	5.87	8-29-19	\$43,100
TBA	Pyrite	7	-	2018-19	6.69	8-29-19	\$47,200
TBA	Pyrite	8	-	2018-19	5.00	8-29-19	\$38,600

**B. SUMMARY OF REVIEW**

1. DATE of REVIEW: February 5, 2020
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:****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. 4496-0

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.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this review report within the three-year period immediately preceding acceptance of this assignment

Reviewed by Kevin Hindmarch  
Kevin Hindmarch, Review Appraiser

Date 2/5/2020

cc: Hannah Uher-Koch

# MEMORANDUM

# State of Alaska

Department of Natural Resources  
Tel (907) 269-8539  
Fax (907) 269-8914

Division of Mining, Land & Water  
550 West 7<sup>th</sup> Avenue, Suite 650  
Anchorage AK 99501-3576

DATE: January 9, 2020

TO: Kevin Hindmarch  
Review Appraiser

FROM Johnthomas Williamson   
Appraiser

SUBJECT: Thirty-six parcels within the following subdivisions: Any Creek Remote, Desperation, Martin and Pyrite.

As requested, I have completed an appraisal of the above referenced parcels and understand that this appraisal will be used to determine the 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 appraisal report is based on the General Assumptions and Limiting Conditions stated in the report, as well as the facts, analyses, and reasoning leading to the opinion of value.

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

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**APPRAISAL SUMMARY**

<b>Subdivision Names</b>	<b>Location</b>	<b>Survey</b>
Any Creek Remote	25-miles northwest of Fairbanks off Murphy Dome Road	ASLS 93-144
Desperation Subdivision	25-miles northwest of Fairbanks off Murphy Dome Road	ASLS 81-1
Martin Subdivision	25-miles northwest of Fairbanks off Murphy Dome Road	ASLS 84-21
Pyrite Subdivision	15-miles southeast of Fairbanks, in Badger Rd. area, north of Plack Rd.	ASLS 2018-19

**SUMMARY OF VALUES**

<b>ADL</b>	<b>Subdivision</b>	<b>MTRS</b>	<b>Lot</b>	<b>Blk.</b>	<b>ASLS</b>	<b>Acres</b>	<b>Date of Value</b>	<b>Value (Rnd)</b>
410409	Any Creek Rem	2N 1W 18 FM.	A		93-144	26.75	10-3-19	<b>\$38,300</b>
408184	Desperation	2N 3W 29 FM.	5	2	81-1	5.00	9-30-19	<b>\$10,500</b>
408185	Desperation	2N 3W 29 FM.	6	2	81-1	5.00	9-30-19	<b>\$10,500</b>
408186	Desperation	2N 3W 29 FM.	7	2	81-1	5.00	9-30-19	<b>\$10,500</b>
408188	Desperation	2N 3W 29 FM.	9	2	81-1	5.00	9-30-19	<b>\$10,500</b>
408190	Desperation	2N 3W 29 FM.	11	2	81-1	4.963	9-30-19	<b>\$10,500</b>
408194	Desperation	2N 3W 29 FM.	15	2	81-1	5.00	9-30-19	<b>\$10,500</b>
408199	Desperation	2N 3W 32 FM.	20	2	81-1	5.00	9-30-19	<b>\$10,500</b>
408200	Desperation	2N 3W 32 FM.	21	2	81-1	5.00	9-30-19	<b>\$10,500</b>
408202	Desperation	2N 3W 32 FM.	23	2	81-1	5.00	9-30-19	<b>\$10,500</b>
408204	Desperation	2N 3W 29 FM.	2	3	81-1	5.00	9-30-19	<b>\$10,500</b>
408205	Desperation	2N 3W 29 FM.	3	3	81-1	5.00	9-30-19	<b>\$10,500</b>
408206	Desperation	2N 3W 29 FM.	4	3	81-1	5.00	9-30-19	<b>\$10,500</b>
408208	Desperation	2N 3W 29 FM.	6	3	81-1	5.00	9-30-19	<b>\$10,500</b>
408209	Desperation	2N 3W 29 FM.	7	3	81-1	5.00	9-30-19	<b>\$10,500</b>
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408213	Desperation	2N 3W 32 FM.	11	3	81-1	5.00	9-30-19	\$10,500
408214	Desperation	2N 3W 32 FM.	12	3	81-1	5.00	9-30-19	\$10,500
408215	Desperation	2N 3W 32 FM.	13	3	81-1	5.00	9-30-19	\$10,500
408218	Desperation	2N 3W 32 FM.	16	3	81-1	5.00	9-30-19	\$10,500
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419120	Martin	1N 3W 05 FM.	33	7	84-21	6.923	6-12-19	\$17,600
419121	Martin	1N 3W 05 FM.	34	7	84-21	6.586	6-12-19	\$17,100
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TBA	Pyrite	1S 2E 36 FM.	5	-	2018-19	5.50	8-29-19	\$41,300
TBA	Pyrite	1S 2E 36 FM.	6	-	2018-19	5.87	8-29-19	\$43,100
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TBA	Pyrite	1S 2E 36 FM.	8	-	2018-19	5.00	8-29-19	\$38,600

## PREMISES OF THE APPRAISAL

### 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 DNR's Special Appraisal Instructions.

### Purpose of Appraisal

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

### Intended Use of Appraisal

The appraisal will be used by DNR to determine the minimum bid for a parcel 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."<sup>1</sup>

**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."<sup>2</sup>

### 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."<sup>3</sup>

### Effective Date of Value Estimate

There are multiple dates of value, see Pages 4-5.

### Date of Report

January 9, 2020.

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<sup>1</sup> The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, p.90

<sup>2</sup> Alaska Statutes Title 38, Public Land Article 5, State of Alaska, 2018, [www.legis.state.ak.us/basis/folio.asp](http://www.legis.state.ak.us/basis/folio.asp)

<sup>3</sup> The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, p.141

### **Exposure Time**

Exposure time is defined as the "...estimated length of time that 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."<sup>4</sup>

Exposure time can vary depending on the type of property being appraised and constantly changing market conditions. Supply and demand of similar properties to the subject is an important factor for determining exposure time. Currently, there are multiple parcels available throughout the area which are offered through various government and private programs. Considering the availability of parcels on the market, and desirability of the area, an exposure time of six months to a year is reasonable for rural residential or recreation parcels along Murphy Dome Road. Pyrite Subdivision is in the Badger Road area. This community is characterized by year-round single-family residences on sites that typically range from one to five acres. Because Pyrite Subdivision is in a more densely populated area, a shorter exposure time is expected.

### **Property History**

Multiple properties within Any Creek Remote, Desperation, and Martin Subdivisions have been previously offered and sold through various DNR offerings. These subjects have returned to the State via incomplete applications or terminated land sale contracts. Four parcels within Martin Subdivision and all the parcels within Pyrite Subdivision have never been offered for sale. Details on specific properties are included within the Property Description section of this report. DNR is the owner of record for all subjects.

### **Scope of the Appraisal**

#### **Property and Comparable Sales Inspection**

I inspected the subject properties and most of comparable sales on the following dates; June 12<sup>th</sup>, August 29<sup>th</sup>, September 30<sup>th</sup>, and October 3<sup>rd</sup>, 2019. The remaining comparable sales have been inspected on prior appraisal assignments. Physical features and access were identified by use of site 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 the Fairbanks – North Star Borough tax assessor, real estate agents, appraisers, local residents, and other individuals familiar with the area who provided information about trends in value, supply, demand, access, and physical characteristics of the subject properties. DNR records and the Records Office databases were searched for recent comparable sales. Private real estate agent websites were searched for recent listings. Sellers, buyers, and agents were contacted to verify recent sale prices and other transaction details.

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

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<sup>4</sup> Uniform Standards of Professional Appraisal Practice 2018-2019, 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.

**Extraordinary Assumption** - The Fairbanks – North Star Borough is in the process of reviewing the plat for Pyrite Subdivision. The plat is not recorded as of the date of this report. It is an extraordinary assumption that the plat for Pyrite Subdivision, ASLS 2018-19, will be recorded as submitted.

**Extraordinary Assumption** - At the time of inspection, a limited number of subjects within Desperation Subdivision were accessible by ATV. Most subjects were accessed by walking over burnt, fallen trees. It is reasonable to conclude that seasonal snow load and windfall of the recently burned trees will limit all the subjects within Desperation Subdivision to walk-in access only prior to the intended use of this appraisal. All subjects within Desperation Subdivision are valued as walk-in access only.

## PRESENTATION OF DATA

### Market Area<sup>5</sup>

The Fairbanks North Star Borough is located in the heart of Interior Alaska. It is the second-largest population center in the state with a population of approximately 100,600 as of 2016. Of which, about half live in and around Fairbanks. The area encompasses 7,361.0 sq. miles of land and 77.8 sq. miles of water. Interior Alaska experiences seasonal temperature extremes. January temperatures range from -66 to 50 degrees Fahrenheit. July temperatures range from 30 to 99 degrees Fahrenheit. Fairbanks is known for its lingering summer days. When the solstice arrives, there is more than 22 hours of daylight. Major communities include: College, Eielson Air Force Base, Ester, Fairbanks, Fox, Harding Lake, Moose Creek, North Pole, Pleasant Valley, Salcha, and Two Rivers. There are 35 schools located in the borough.

City, borough, state, and federal government agencies, including the military, provide over one-third of the employment in the borough. The borough school district and the University of Alaska Fairbanks are the primary public employers. Nearly 8,400 soldiers are stationed in the borough on Fort Wainwright or the Eielson Air Force Base. Retail services, gold mining, tourism, transportation, medical, and other services are the primary private sector activities. The Fort Knox hard rock gold mine is located in the borough.

The Richardson Highway, the Parks Highway, the Steese Highway and the Elliott Highway connect the Interior to Anchorage, Canada and the lower 48. Truck, rail and air services provide transportation of cargo. Scheduled jet services are available at Fairbanks International airport. An 11,800' asphalt runway, heliport and seaplane landing strip are available. A public seaplane base is located on the Chena River. Eielson Air Force Base and Fort Wainwright also conduct flight operations in the area.

Fairbanks is a Home Rule city and the second largest population center in the state. Currently, its estimated population is 31,905, comprised of 11,500 households. The average household size is 2.52. Power is supplied by Golden Valley Electric Association Inc. through diesel generators. Supplemental power is supplied by Aurora Energy LLC. The area is serviced by local schools, hospitals, libraries, refuse systems, and other urban facilities.

### Fox Neighborhood

Fox is approximately 10-miles northeast of Fairbanks on the Steese Highway, at its junction with the Elliott Highway within Township 2 North, Range 1 East, Fairbanks Meridian. The community lies on the right bank of Fox Creek as it enters Goldstream Creek Valley, 10 miles northeast of Fairbanks. It is located at the junction of the Steese and Elliot Highways, within the Fairbanks Recording District.

Fox was established as a mining camp prior to 1905. The Fox Post Office operated from 1908 to 1947. The majority of the population of Fox is non-Native. It is part of the larger Fairbanks metropolitan area, the second largest in the state. The local economy is predominately a bedroom or commuter community for Fairbanks. There is limited seasonal mining in the area, and the highway provides some roadside service opportunities. There is about 230 housing units with 200 households. The average household size is 2.1. Students travel to Fairbanks area schools.

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

## **Badger Road – North Pole<sup>6</sup>**

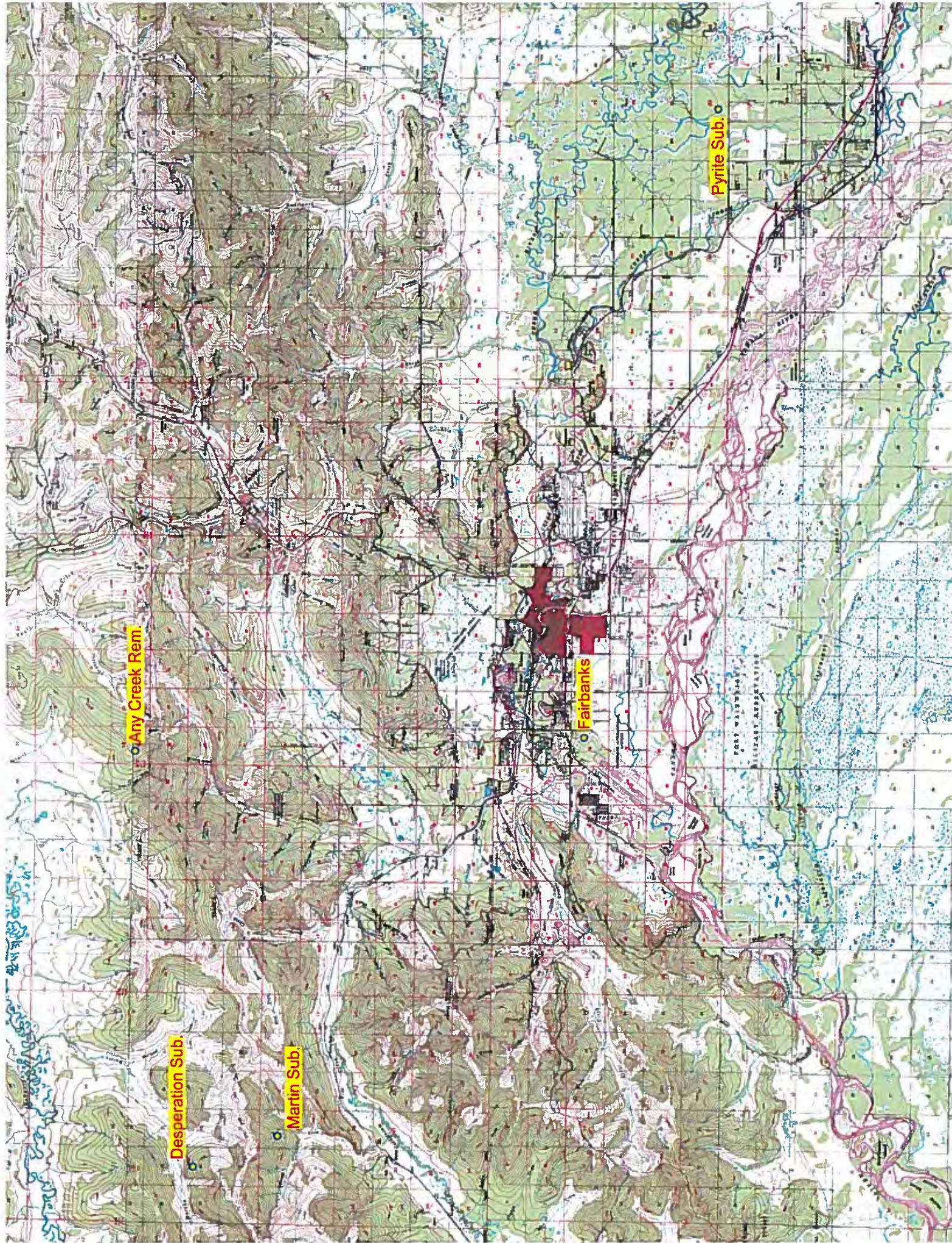
The Badger Road Community and the City of North Pole are approximately 13-miles southeast of Fairbanks on the Richardson Highway. The community is between Fort Wainwright and Eielson Air Force Base, and within the Fairbanks – North Star Borough.

The City of North Pole was incorporated in 1953. In 1944, Bon Davis homesteaded this area. Dahl and Gaske Development Company later bought the Davis homestead, subdivided it, and named it North Pole, hoping to attract a toy manufacturer that would advertise products as being made in North Pole. The Santa Claus House was subsequently developed by Con Miller and his family. Growth from Fairbanks and the nearby Eielson Air Force Base have increased development over the years. North Pole is renowned as the 'home of Santa Claus.' Letters from children all over the world are mailed to North Pole at Christmas each year. The Santa Claus House is a year-round attraction. North Pole has a 4% sales tax rate, with additional taxes on alcohol, tobacco, and lodging. The median household income is \$69,806, and the median family income is \$87,171.

Badger is an old railroad station on Fairbanks-Eielson section of the Alaska Railroad, 8 miles southeast of Fairbanks. The area was named by personnel of the Alaska Railroad in 1949 due to its proximity to the Old Badger Road. Badger is a Census Designated Place in the Fairbanks North Star Borough. It is unincorporated. However, it is one of the larger communities in Alaska and would be considered a major city if it were incorporated and outside the Fairbanks North Star Borough. The local population is estimated near 20,000 people. It is part of the Fairbanks metropolitan area, the second largest in the state. Students attend local schools.

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



Any Creek Rem.

Desperation Sub.

Martin Sub.

Fairbanks

Pyrite Sub.

### Property Description - Any Creek Remote

ADL	Subdivision	MTRS	Tract	Access	ASLS	Acres	Plat	Recording District	PAN
410409	Any Creek Remote	Sec. 18 T2N R1W FM.	A	ATV / SM	93-144	26.75	94-132	Fairbanks	0413569

**Location**

Any Creek Remote Odd Lot is located approximately 25 miles north of Fairbanks, off Murphy Dome Road within Section 18 of Township 2 North, Range 1 West, Fairbanks Meridian.

**Access**

Access to the subdivision is via Murphy Dome Road then a 4x4 pioneer road north which deteriorates into an ATV trail as it approaches the subject.

**Topography, Soils, Size & Shape**

The parcel is generally sloping upwards to the north, 26.75 acres, and rectangular in shape. The parcel contains primarily mature birch and spruce mix with some poplar. Vegetation is indicative of adequate drainage.

**Easements & Zoning Regulations**

There are typical access easements throughout the subdivision, and the parcel is zoned General Use-1.

**Environmental Hazards, Hazardous Waste & Toxic Materials**

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

**Ownership History**

ADL 410409 was offered through the 1983 DNR Staking program. The applicant entered into a land sale contract in 1996, which was subsequently terminated in 2004. The property was offered the 2016 DNR Subdivision Auction but was withdrawn after no bids were received. DNR is the current owner of record.

**Tax Assessments & Personal Property**

The subdivision lies within the Fairbanks – North Star Borough, and the current mill rate for the property is 16.086. Because the property is owned by the State of Alaska, it is not currently taxed. However, upon transfer to private ownership, the new owner will be responsible for future property taxes levied by the Borough. There is no personal property involved with the appraisal of this property. There are no improvements on the property.

**Utilities, Water & Sewer**

There are no utilities 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.



Any Creek Remote Tract A (file photo)



Any Creek Remote Tract A (file photo)



Any Creek Remote Tract A, sloping topography.



Any Creek Remote Tract A, ATV or snowmachine access



Any Creek Remote Tract A, typical vegetation



Any Creek Remote Tract A, southern portion.

**Property Description – Desperation Subdivision**

<b>ADL</b>	<b>Subdivision</b>	<b>Sec.</b>	<b>MTR</b>	<b>Lot</b>	<b>Blk.</b>	<b>ASLS</b>	<b>Acres</b>	<b>Plat</b>	<b>Rec. District</b>	<b>Pan</b>
408184	Desperation	29	F2N3W	5	2	81-1	5.00	82-18	Fairbanks	350443
408185	Desperation	29	F2N3W	6	2	81-1	5.00	82-18	Fairbanks	350451
408186	Desperation	29	F2N3W	7	2	81-1	5.00	82-18	Fairbanks	350460
408188	Desperation	29	F2N3W	9	2	81-1	5.00	82-18	Fairbanks	350486
408190	Desperation	29	F2N3W	11	2	81-1	4.963	82-18	Fairbanks	350508
408194	Desperation	29	F2N3W	15	2	81-1	5.00	82-18	Fairbanks	350541
408199	Desperation	32	F2N3W	20	2	81-1	5.00	82-18	Fairbanks	350591
408200	Desperation	32	F2N3W	21	2	81-1	5.00	82-18	Fairbanks	350605
408202	Desperation	32	F2N3W	23	2	81-1	5.00	82-18	Fairbanks	350621
408204	Desperation	29	F2N3W	2	3	81-1	5.00	82-18	Fairbanks	350664
408205	Desperation	29	F2N3W	3	3	81-1	5.00	82-18	Fairbanks	350672
408206	Desperation	29	F2N3W	4	3	81-1	5.00	82-18	Fairbanks	350681
408208	Desperation	29	F2N3W	6	3	81-1	5.00	82-18	Fairbanks	350702
408209	Desperation	29	F2N3W	7	3	81-1	5.00	82-18	Fairbanks	350711
408210	Desperation	29	F2N3W	8	3	81-1	5.00	82-18	Fairbanks	350729
408212	Desperation	32	F2N3W	10	3	81-1	5.00	82-18	Fairbanks	350745
408213	Desperation	32	F2N3W	11	3	81-1	5.00	82-18	Fairbanks	350753
408214	Desperation	32	F2N3W	12	3	81-1	5.00	82-18	Fairbanks	350761
408215	Desperation	32	F2N3W	13	3	81-1	5.00	82-18	Fairbanks	350770
408218	Desperation	32	F2N3W	16	3	81-1	5.00	82-18	Fairbanks	350800
408228	Desperation	32	F2N3W	17	3	81-1	5.00	82-18	Fairbanks	350818

**Location**

Desperation Subdivision is located approximately 25-miles northwest of Fairbanks, off Murphy Dome Road within Sections 29 and 32 of Township 2 North, Range 3 West, Fairbanks Meridian.

**Access and Extraordinary Assumption**

Access to the subdivision is via Murphy Dome Road then along Desperation Loop, a mostly unimproved right of way. At the time of inspection, a portion Desperation Loop was passible with an ATV. However, the trail deteriorates and much of the subdivision is limited to foot access only. The recent fire and numerous fallen trees limits ATV access. It is expected that the southeast portion of the subdivision will become impassable after winter snow load and the windfall of burnt trees. It is an extraordinary assumption that all subjects are access via walk-in only.

**Topography, Soils, Size & Shape**

The topography of Desperation Subdivision slopes downwards towards the northeast. The size of individual lots ranges from 4.963-acres to 5.00-acres and are both rectangular and irregular in shape. The subdivision contains primarily recently burned mature birch and spruce mix with some poplar with vegetation indicative of adequate drainage.

**Easements & Zoning Regulations**

There are typical access easements throughout the subdivision, and the parcels are zoned RE-4.

**Environmental Hazards, Hazardous Waste & Toxic Materials**

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

**Ownership History**

The subdivision was surveyed in 1982. All the subjects have been purchased through the DNR OTC offering. The applicants entered into land sale contracts that were subsequently terminated due to non-payment. DNR is the owner of record. See chart below:

ADL	Lot	Blk.	Contract	Termination	ADL	Lot	Blk.	Contract	Termination
408184	5	2	2004-021127-0	2006-020192-0	408206	4	3	2004-015244-0	2006-020200-0
408185	6	2	2004-017059-0	2011-006256-0	408208	6	3	2004-015245-0	2006-020201-0
408186	7	2	2004-025742-0	2011-006256-0	408209	7	3	2004-015246-0	2006-020202-0
408188	9	2	2004-015237-0	2006-020193-0	408210	8	3	2004-015247-0	2006-020203-0
408190	11	2	2004-015238-0	2006-020194-0	408212	10	3	2004-015248-0	2006-020204-0
408194	15	2	2004-015239-0	2006-020195-0	408213	11	3	2004-015249-0	2006-020205-0
408199	20	2	2004-015240-0	2006-020196-0	408214	12	3	2004-015250-0	2006-020206-0
408200	21	2	2004-015241-0	2006-020197-0	408215	13	3	2004-015251-0	2006-020207-0
408202	23	2	2003-026600-0	2012-010202-0	408218	16	3	2003-019786-0	2012-002085-0
408204	2	3	2004-015242-0	2006-020198-0	408228	17	3	2003-013844-0	2012-002084-0
408205	3	3	2004-015243-0	2006-020199-0					

**Tax Assessments & Personal Property**

The subdivision lies within the Fairbanks – North Star Borough, and the current mill rate for the subdivision is 28.822. Because the subjects are owned by the State of Alaska, they are not currently taxed. However, upon transfer to private ownership, the new owner will be responsible for future property taxes levied by the Borough. There is no personal property involved with the appraisal of these subjects, nor are there any improvements on the subjects.

**Utilities, Water & Sewer**

There are no utilities 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.



Aerial view of subdivision. DNR staff photo.



Aerial view of subdivision looking north. DNR staff photo.



Desperation Lots 2 and 3, Block 3



Desperation Lot 4 Block 2



Desperation Lot 5 Block 2



Desperation Lot 7 Block 2



Desperation Lot 7 Block 3



Desperation Lot 9 Block 2 in distance



Desperation Lot 17 Block 3



Desperation Lot 21 Block 2



Desperation Lot 23 Block 2 and Lot 10 Block 3



Desperation near Lot 17 Block 2, access.

## Property Description – Martin Subdivision

ADL	Sub.	Sec.	MTR	Lot	Blk.	ASLS	Acres	Plat	Rec. District	PAN
419089	Martin	5	F1N3W	2	7	84-21	5.36	84-275	Fairbanks	420999
419119	Martin	5	F1N3W	32	7	84-21	5.836	84-275	Fairbanks	421481
419120	Martin	5	F1N3W	33	7	84-21	6.923	84-275	Fairbanks	421499
419121	Martin	5	F1N3W	34	7	84-21	6.586	84-275	Fairbanks	421502
419122	Martin	5	F1N3W	35	7	84-21	6.688	84-275	Fairbanks	421511
419123	Martin	5	F1N3W	36	7	84-21	6.563	84-275	Fairbanks	421529

### Location

Martin Subdivision is located approximately 25-miles northwest of Fairbanks, off Murphy Dome Road within Sections 31 and 32 of Township 2 North, Range 3 West Fairbanks Meridian, and Sections 5 and 6 of Township 1 North, Range 3 West, Fairbanks Meridian.

### Access

Access to the individual subjects is via ATV trail. At the time of inspection, Grand Teton Road was not passible due to an encroachment of personal property and debris in Block 3. Access to the subjects is along Matterhorn Drive, a trail, and High Sierra Drive, a partially constructed dirt road. However, High Sierra Drive deteriorates into a 4x4 trail prior to the subjects.

### Topography, Soils, Size & Shape

Martin is generally sloping downwards to the south. Lots are level to sloping. Sizes range from 5.36-acres to 6.923-acres and are both rectangular and irregular in shape. The subdivision contains primarily mature birch and spruce mix with some poplar with vegetation indicative of adequate drainage.

### Easements & Zoning Regulations

There are typical access easements throughout the subdivision. The subdivision lies within the Fairbanks – North Star Borough, and the subjects are zoned RE-4.

### Environmental Hazards, Hazardous Waste & Toxic Materials

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

### Ownership History

ADL 419089 was sold in 2017 through the OTC offering. The applicant entered into a land sale contract, see Doc. 2017-00532-0. The contract was subsequently terminated due to non-payment. See Doc. 2019-000861-0. ADL 419119 was offered through the 2017 DNR Auction. The parcel received no bids and was later sold through the OTC offering. However, the application was terminated prior to contract. The remaining subjects have not been offered for sale. DNR is the current owner of record.

### Tax Assessments & Personal Property

There is no personal property or improvements involved with the appraisal of these sites. The current mill rate for the subdivision is 28.822. Because the subjects are owned by the State of Alaska, they are not currently taxed. However, upon transfer to private ownership, the new owner will be responsible for future property taxes levied by the Borough.

### Utilities, Water & Sewer

There are no utilities 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.



Access to southern portion of Martin Subdivision along High Sierra Drive.



Martin Lot 2 Block 7, on Matterhorn Drive.



Martin Lot 2 Block 7



Martin Lot 35 Block 7



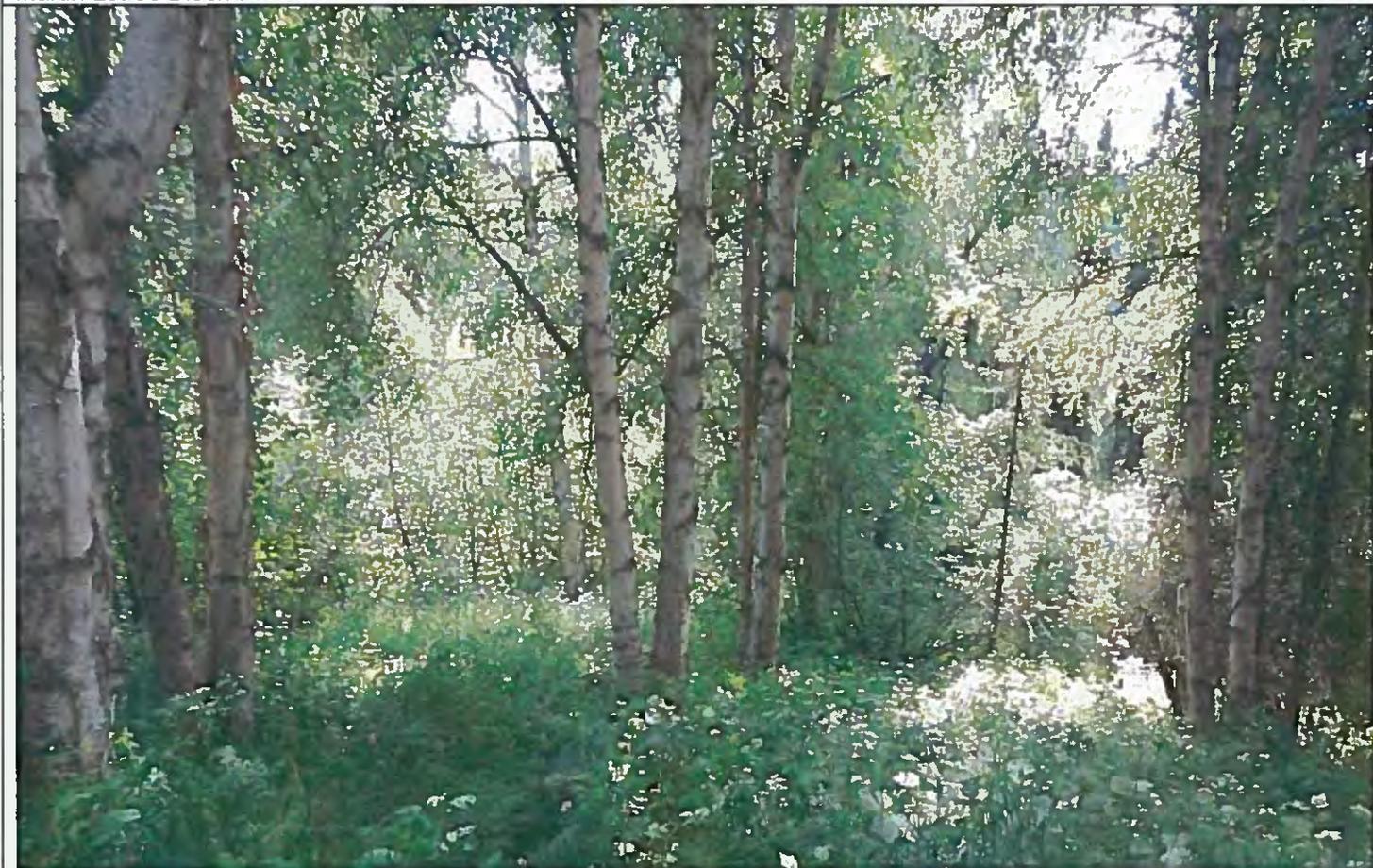
Martin Lot 35 Block 7



Martin Lot 36 Block 7



Martin Lot 36 Block 7



Martin Block 7 along High Sierra Drive, ROW not improved.



Martin Block 7 along High Sierra Drive, ROW not improved.



Martin Block 7 along High Sierra Drive, ROW not improved.

### Property Description - Pyrite Subdivision

ADL	Subdiv.	Sec.	MTR	Lot	ASLS	Acres	Plat	Recording District	PAN
TBA	Pyrite	36	FM T1S R2E	1	2018-19	13.43	Pending	Fairbanks	TBA
TBA	Pyrite	36	FM T1S R2E	2	2018-19	13.19	Pending	Fairbanks	TBA
TBA	Pyrite	36	FM T1S R2E	3	2018-19	13.43	Pending	Fairbanks	TBA
TBA	Pyrite	36	FM T1S R2E	4	2018-19	7.78	Pending	Fairbanks	TBA
TBA	Pyrite	36	FM T1S R2E	5	2018-19	5.50	Pending	Fairbanks	TBA
TBA	Pyrite	36	FM T1S R2E	6	2018-19	5.87	Pending	Fairbanks	TBA
TBA	Pyrite	36	FM T1S R2E	7	2018-19	6.69	Pending	Fairbanks	TBA
TBA	Pyrite	36	FM T1S R2E	8	2018-19	5.00	Pending	Fairbanks	TBA

#### Location

Pyrite Subdivision is located approximately 15-miles southeast of Fairbanks, east of Badger Road, north of Plack Road, and west Nelson Road, within Section 36 of Township 1 South, Range 2 East, Fairbanks Meridian.

#### Access

Access to the subdivision is via the Richardson Highway to Badger Road, then east on Plank Road to the intersection of Farmall Drive. Access to the individual lots is either along Pyrite Place, which is cleared gravel area, or Farmall Drive, which is gravel north of Plack Road.

#### Topography, Soils, Size & Shape

The parcels are level, range in size from 5.00-acres to 13.43-acres, and both rectangular and irregular in shape. The lots contain primarily mature birch and spruce mix with some poplar and alder indicative of adequate drainage within the southern portion of the subdivision. There is a natural drainage in the northern portion of the subdivision that bisects Lots 1, 2, and 3. Portions of these lots have inferior soils along the drainage. Prior to subdivision, the southern portion of the parent parcel was used as a gravel pit. The pit has since filled with water, which is now a large pond on Tract A. Two additional small man-made ponds are located on Lot 8.

#### Easements & Zoning Regulations

There are typical access easements throughout the subdivision. The subdivision is within the Fairbanks – North Star Borough and zoned as RE-4.

#### Environmental Hazards, Hazardous Waste & Toxic Materials

An engine block, the remains of a mattress, and other minimal debris was observed during the field inspection. However, no toxic materials, waste, or hazards were observed.

#### Ownership History

Parcels were surveyed in 2019 and the plat is in the process of being recorded. None of the parcels have been offered for sale. DNR is the owner of record.

#### Tax Assessments & Personal Property

Because the property is owned by the State of Alaska, it is not currently taxed. However, upon transfer to private ownership, the new owner will be responsible for future property taxes levied by the Borough. The current mill rate for the parent parcel is 17.572. However, smaller parcels in the area have a millage rate

of 18.508. The plat has not been recorded, and the Borough has not set the mill rate for the individual parcels.

**Utilities, Water & Sewer**

There are overhead electric and telephone transmission lines adjacent to all parcels. There are no other utilities 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.

**Extraordinary Assumption**

At the time of this report, Pyrite Subdivision has not been approved and recorded. The Borough is in the process of reviewing the plat for Pyrite Subdivision. It is an extraordinary assumption that the plat for Pyrite Subdivision, ASLS 2018-19, will be approved and recorded as submitted.



Large cleared gravel area, Pyrite Court.



Pyrite, One of two ponds on Lot 8.



Pyrite Court access from Plack Road



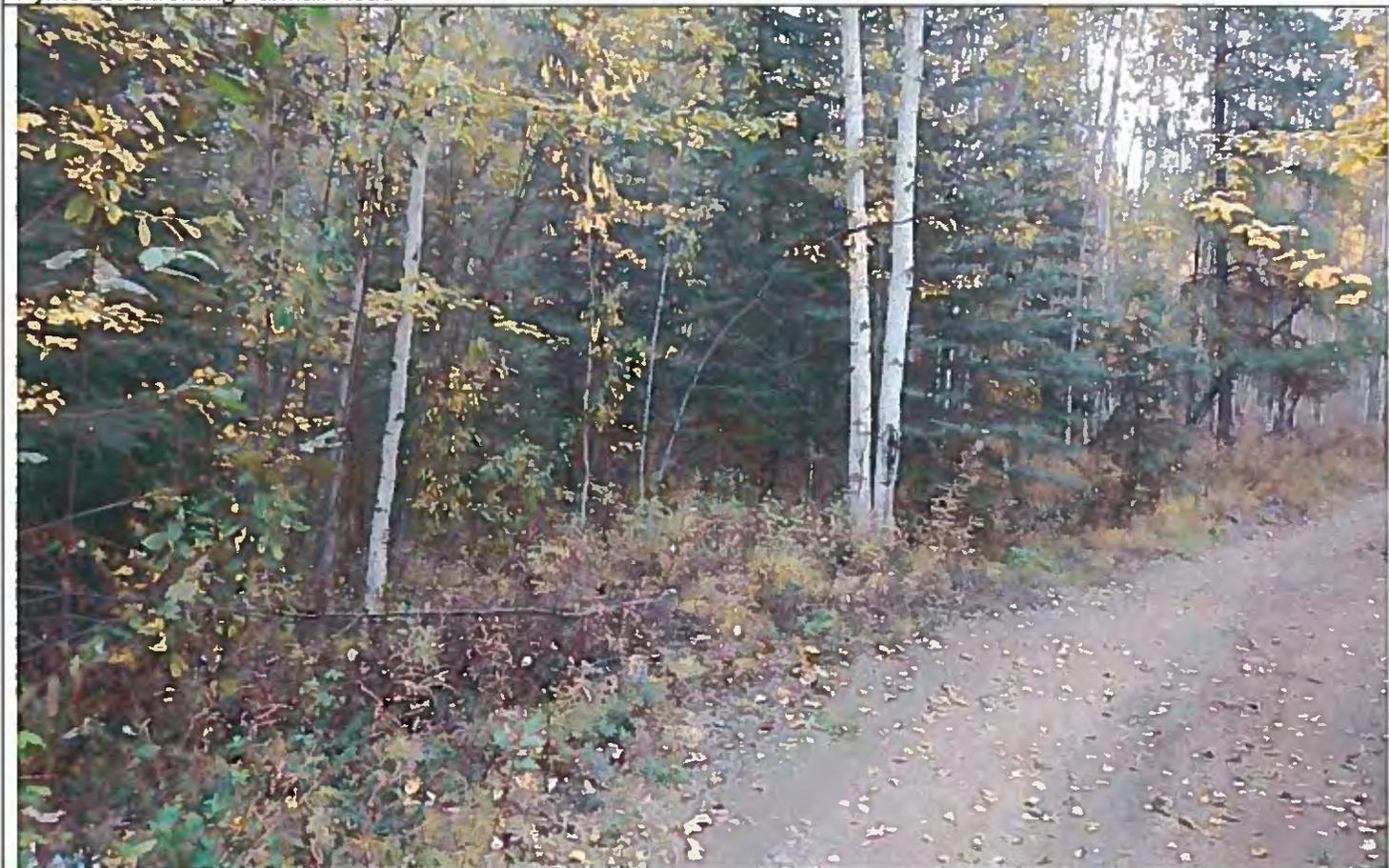
Pyrite corner of Lots 1 and 2



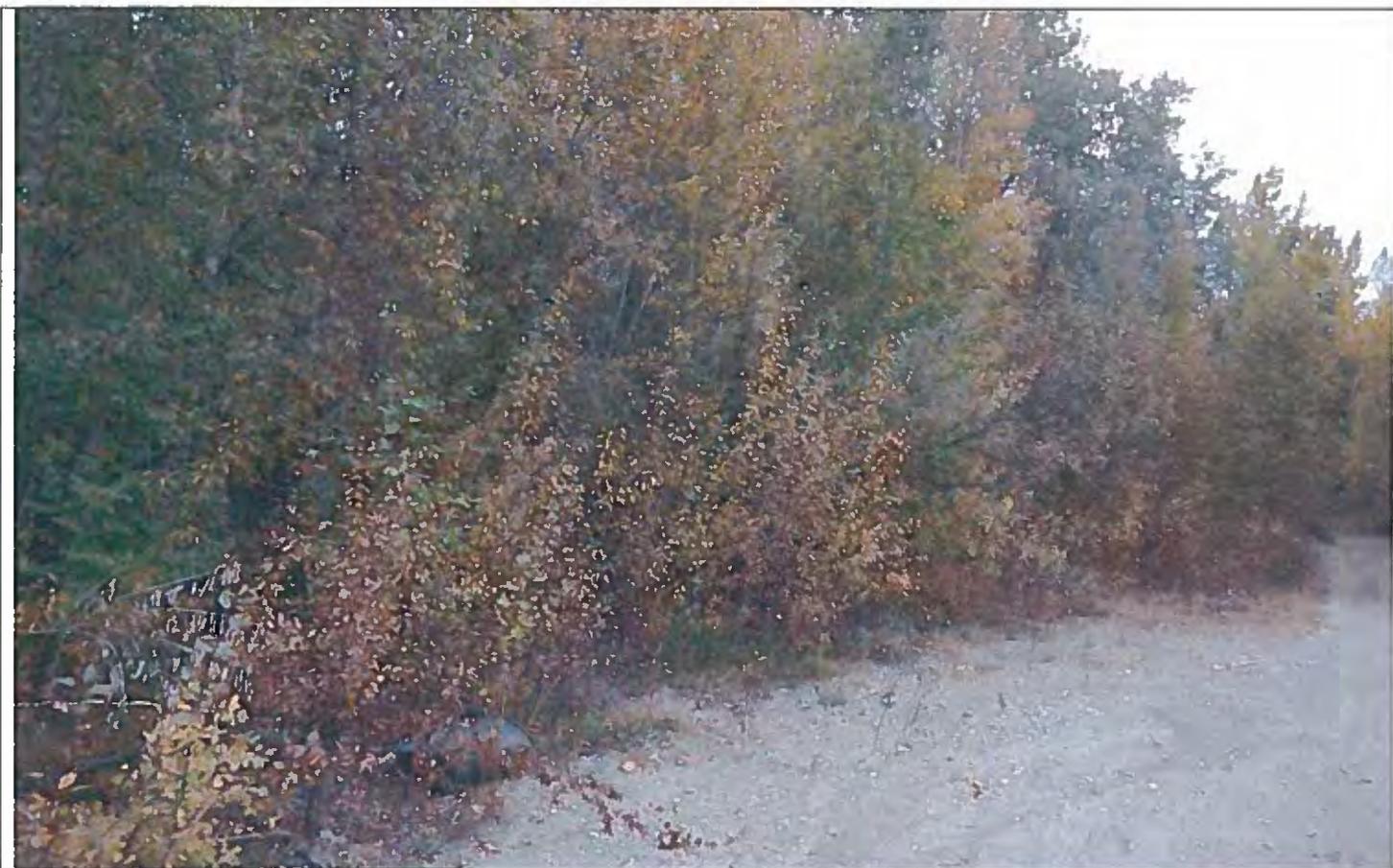
On Pyrite Lot 1, electric adjacent.



Pyrite Lot 3 fronting Farmall Road



Pyrite Lot 4



Pyrite Lot 5



Pyrite Lot 6



Pyrite corner at Lots 6 and 7



Pyrite Lot 8

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## DATA ANALYSIS AND CONCLUSION

### Valuation Analysis

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

#### Income Approach

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

#### Cost Approach

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

#### Sales Comparison Approach

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

#### Key Parcel Method

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

#### Explanation of Adjustments

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

An adjustment of less than 1.00 (or < ) means the sale feature is superior to that appraised property and requires a downward adjustment to indicate the value of the key parcel. An adjustment greater than 1.00 (or > ) means that the sale feature is inferior to the subject's feature which requires an upward adjustment to indicate the value of the key parcel. An adjustment of 1.00 (or = ) means the sale feature is similar to the key parcel, no adjustment is necessary. The adjustments are multiplied to obtain a total adjustment, which is then multiplied by the sale price to indicate the value of a key parcel. Qualitative adjustments are noted as superior ( - ), inferior ( + ), or equal/similar ( = ). The overall comparability of each sale is analyzed to bracket a probable value for the subject. In many cases, combinations of both quantitative and qualitative adjustments are used.

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. 7<sup>th</sup> 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](mailto: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](mailto:fbx-pic@alaska.gov)  
Business hours 10:00 am to 5:00 pm M-F.

**In Juneau**

(Southeast Div. of Land)  
400 Willoughby Ave., 4<sup>th</sup> Floor, Juneau AK 99801  
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Fax (907) 586-2954  
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Business hours 10:00 am to 5:00 pm M-F.