

**MARKET VALUE APPRAISAL**  
of  
**Three (3) parcels within**  
**West El Capitan ASLS 2019-05**



Karst Way (not developed) in West El Capitan.

**APPRAISAL REPORT No. 4660-0**

**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. 4660-0**

1. ADL NO(S): See table below
2. SIZE: Various, as noted in table
3. APPLICANT: N/A
4. LOCATION: Subdivided lots on Prince of Wales Island, Southeast Alaska
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: August 6, 2024
10. DATE of VALUE(S): August 6, 2024
11. APPRAISED VALUE(S):

ADL	Subdivision	Lot	ASLS	Acres	Date	Value (rnd)
109161	West El Capitan	2	2019-05	4.53	8/6/24	\$25,200
109170	West El Capitan	11	2019-05	2.52	8/6/24	\$18,000
109173	West El Capitan	14	2019-05	4.00	8/6/24	\$23,200

**B. SUMMARY OF REVIEW**

1. DATE of REVIEW: February 18, 2025
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 preliminary plat.
6. The value of commercial timber, if any, is specifically excluded from the final conclusion of value.

REVIEW APPRAISER'S CERTIFICATION APPRAISAL NO. 4660-0

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 report within the three-year period immediately preceding acceptance of this assignment.

Reviewed by Kevin Hindmarch  
Kevin Hindmarch, Review Appraiser

Date 2/18/25

cc: Justin Wholey

# MEMORANDUM

# State of Alaska

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**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: August 6, 2024

TO: Kevin Hindmarch  
Review Appraiser

FROM Johnthomas Williamson   
Appraiser

SUBJECT: Appraisal of three parcels within West El Capitan Subdivision, ASLS 2019-05.

As requested, I have completed an appraisal of the above referenced parcels and understand that this appraisal will be used to determine a minimum purchase price for a sealed bid auction. I am submitting this report for your review and approval.

The appraisal was completed in accordance with the "Uniform Standards of Professional Appraisal Practice" of the Appraisal Foundation and in accordance with the Special Appraisal Instructions, DNR. This 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 opinions of value.

I have inspected all the subject parcels, and select comparable sales, for the purpose of a previous appraisal assignment on October 27, 2021, see Report #4565-0. It is an extraordinary assumption that the physical characteristics of the subjects have not changed since the prior inspection. See Extraordinary Assumption on Page 7

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

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**APPRAISAL SUMMARY**

Subdivision Names	Location	Survey
West El Capitan	75-miles north of Craig, at the north end of El Capitan Passage, Prince of Wales Island.	ASLS 2019-05

**SUMMARY OF VALUES**

ADL	Subdivision	Lot	ASLS	Acres	Date	Value (rnd)
109161	West El Capitan	2	2019-05	4.53	8/6/24	<b>\$25,200</b>
109170	West El Capitan	11	2019-05	2.52	8/6/24	<b>\$18,000</b>
109173	West El Capitan	14	2019-05	4.00	8/6/24	<b>\$23,200</b>

## 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 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."<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

The effective date of valuation is August 6, 2024. Subjects were inspected on October 27, 2021, for a previous assignment, see Appraisal Report #4565-0 and Extraordinary Assumption on Page 7.

### Date of Report

The date of the report is August 6, 2024.

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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, 2020, [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 limited number of parcels available throughout the area that are offered through various government and private programs. Considering the availability of parcels on the market, an exposure time of up to six months is reasonable for parcels without road access. Road accessible parcels generally sell in a shorter period.

**Property History**

All of the subject properties have been previously offered to the public through the 2023 DNR Subdivision Auction. All of the subjects received a high bid. However, none of the applicants pursued a land sale contract. The subjects remained in State ownership. DNR is the owner of record for all subjects.

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

I inspected the subject properties and select comparable sales October 27, 2021, for Report # 4565-0. I have not inspected the subjects since the initial inspection in 2021. It is an extraordinary assumption that the physical condition of the subjects has remained the same since the most recent inspection. 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 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 estimate was derived from this process and is based on the following assumptions and limiting conditions.

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<sup>4</sup> Uniform Standards of Professional Appraisal Practice 2020-2021, 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 –**

I inspected all the subject parcels for the purpose of a previous appraisal assignment on October 27, 2021, see Report #4565-0. The subjects were offered through the 2023 DNR Subdivision Auction and all three subjects received high bids. However, the purchase applications were either terminated or relinquished, and the subjects were retained in State ownership. I did not conduct an additional inspection. It is an extraordinary assumption that the physical characteristics of the subjects have not changed since the prior inspection in 2021.

## PRESENTATION OF DATA

### Market Area – Southeast Alaska<sup>5</sup>

Southeast Alaska, also known as the Panhandle, extends 560 miles from Dixon Entrance near Ketchikan to Icy Bay northwest of Yakutat. It is the third most populated region in the State. The economy is based on timber, fisheries, mining, tourism and government services. Juneau is the largest city and the state capital.

The coast is deeply fjorded and very mountainous. Between the rocky and forested islands along this fjorded coast runs the Inside Passage. It stretches from Puget Sound and terminates over 1,000 miles to the north at Haines and Skagway. Each year, hundreds of thousands of tourists pass through the area on private boats, Alaska State Ferries and cruise ships. Glacier Bay National Park and Preserve near Gustavus, Misty Fjords National Monument and Admiralty Island are only a few of the major attractions of Southeast Alaska. Humpback, orca and minke whales use Glacier Bay and other areas for their summer feeding range. The world's largest population of brown bears and bald eagles are found here.

Warmed by ocean currents the Southeast has relatively mild climates with warm temperatures averaging around 60 degrees F in the summer. Winters are cool with alternate snow, rain and sunshine. January temperatures range between 20 and 40 degrees F. Subzero winter temperatures are uncommon. Annual rainfall ranges from a low of 26 inches per year at Skagway to a high of 270 inches at Port Alexander.

Heavy rainfall encourages a dense rain forest growth of western hemlock and Sitka spruce, interspersed with red cedar and Alaskan yellow cedar. Ground cover is a luxurious growth of devil's club, blueberries and shrubs up to 3,000 feet in elevation. Above this elevation the ground is mostly arctic tundra, barren ground or glacial ice fields.

Principal population centers include Juneau, (the State Capital), Ketchikan, and Sitka. Other settlements are Craig, Kake, Hoonah, Haines, Petersburg, Skagway, Wrangell, and Yakutat. Smaller communities of Angoon, Hydaburg, Klawock, and Metlakatla have their economies supplemented primarily by subsistence activities.

Most of Southeast Alaska is accessible only by boat or plane. The Alaska Marine Highway is a system of regularly scheduled modern ferries, which carry vehicles and passengers to most communities. Daily passenger service between principal southeast communities and to locations within the state and out-of-state is available by jet aircraft. Most all communities are served by charter or scheduled commuter air service. Transportation of freight is either by cargo planes or barges. Haines, Skagway and Hyder connect to the Canadian Highway system either through British Columbia or the Yukon.

The Southeast region is rich in natural resources, which have played important role in its economic development. Commercial fisheries, timber, mining, tourism, and government are the principal economic contributors to the regional economy.

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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>

## **Market Area – Prince of Wales Island / Whale Pass<sup>6</sup>**

Prince of Wales Island is the second largest island in Alaska, after Kodiak. It is located west of Clarence Strait, within the Alexander Archipelago. Prince of Wales Island has a history of mining, fishing, tourism, and commercial logging. The majority of the island is federally owned and managed under the Tongass National Forest. The remaining land owners include Sealaska, village corporations, municipalities and State holdings. Transportation to the island is either via the ferry dock in Hollis, or the airport in Klawock. Alternatively, there are multiple commercial float plane operations that service Prince of Wales Island from both Ketchikan and Juneau.

Prince of Wales has multiple coastal communities, some of which are connected to the local road system including Craig, Klawock, Hollis, Hydaburg, Thorne Bay and Whale Pass. These communities also have electric service provided by the Alaska Telephone and Power.

Whale Pass is a small community that lies on the northeast coast of Prince of Wales Island, north of Coffman Cove, on Forest Development Road (FDR) 25, about 64 road miles north of Klawock. Whale Pass falls within the southeast maritime climate zone, characterized by cool summers, mild winters, and heavy rain throughout the year.

In 2020, the estimated population of Whale Pass was 52 individuals. The area has been the site of logging camps continuously since 1964. In the early 1980s, the last camp moved out, and the area was permanently settled as the result of a State land sale. The logging road was completed in 1981, and private phones were installed in 1992. Many Whale Pass residents are homesteaders who enjoy a subsistence lifestyle. Due to declining enrollment, the school was closed and currently, students are home-schooled.

The community is connected to the island road system via gravel Forrest Service roads and there is overhead electric service extended through the town. There is a small local library located near the dock, and local fuel service is available. There are no health service facilities. The nearest clinic is located in Craig.

The Whale Pass Community Association operates the state-owned seaplane base, dock, boat slips, and launch ramp. There is 200 feet of public dock space available for permanent moorage and 80 feet available for transient moorage. Vessels up to 80 feet long can use moorage.

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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>



### Property Description – West El Capitan

ADL	Subdivision	MTRS	Lot	ASLS	Acres	Plat	Recording District
109161	West El Capitan	C66S78E11	2	2019-05	4.53	2021-2	Petersburg
109170	West El Capitan	C66S78E11	11	2019-05	2.52	2021-2	Petersburg
109173	West El Capitan	C66S78E11	14	2019-05	4.00	2021-2	Petersburg

**Location**

West El Capitan Subdivision is approximately 75-miles north of Craig, and 10-miles west of Whale Pass within Section 11 of Township 66 South, Range 78 East, Copper River Meridian.

**Easements & Zoning Regulations**

There are typical access and utility easements throughout the subdivision. Subjects are located within the Unorganized Borough and not subject to zoning restrictions.

**Size & Shape**

Individual lots are in a variety of configurations including rectangular, irregular and flag lots. The size of lots ranges from 2.52-acres to 4.53-acres.

**Ownership History**

The Department of Natural Resources subdivided the project area in 2021. Individual subjects were offered through the 2023 DNR Subdivision Auction, and each parcel received a high bid. However, the applications for ADL 109161 and 109170 were closed, and the application for ADL 109173 was relinquished. The parcels remained in State ownership, and DNR is the current owner of record.

**Tax Assessments**

Subjects are located within the Unorganized Borough and not subject to property tax.

**Personal Property, Hazardous Waste & Toxic Materials**

There is no personal property involved with the appraisal of the subjects. There are no improvements on the properties. No toxic materials or waste was observed during the field inspection.

**Environmental Hazards**

There is a cave located within the subdivision. Two known entrances to this cave are on Tract A and Tract D. The entrances are vertical shafts that pose an environmental hazard. Additionally, multiple caves exist to the north and to the west of the subdivision.

The prevalence of limestone and abundant rainwater allows for the formation of caverns and sink holes. Muskegs concentrate the acidity of rainwater, leading to the erosion of limestone and the formation of sink holes. The subdivision has limestone, muskegs, and abundant rainfall. The risk or likelihood for the future development of sinkholes is unknown. While no additional sink holes were observed at the time of inspection, the appraiser is not an expert in identifying geologic hazards.

**Utilities, Water & Sewer**

There are no utilities in the area. 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.

**Topography and Soils**

The parcels are level near Karst Way in the northern portion of the subdivision, then slope down approximately 500-feet in elevation toward El Capitan Passage, south of the subdivision. Most of the parcels have moderate to steep slopes. For example, the West Turn Creek Road gains approximately 250' of elevation over a distance of 575', or at an approximate slope of 35%. There is a natural bench along Spelunker Court. However, this bench is dominated by wetlands.

**Access and Wetlands**

El Capitan West subdivision has gravel access along the southern, a logging road along the eastern boundary, and is connected to the island's road system. Access is via North Island Road, also known as Forest Service Road 20, then to El Capitan Road, designated as Forest Service Road 15. El Capitan Road meanders the southern portion of the subdivision while the eastern portion of the subdivision is accessed along West Turn Creek Road, a constructed logging road. Rights of way into the interior of the subdivision have been platted, but not constructed.

The subdivision contains a mix of forested lands, forested wetlands, and muskeg. A wetlands determination was made and is available on the National Wetlands Inventory. Prior to the development of wetlands, subsequent owners will need to obtain a general permit from the Army Corps of Engineers. Commercial ventures will need to obtain a commercial specific permit. The application must show that the construction project will minimize or mitigate wetland impact. If a residential project impacts 1/2 acre or less of non-tidal wetlands, then the Army Corps application for wetland development can go through a streamlined permitting process. The estimated time frame for obtaining a permit is 90-days.

The estimated percent of wetlands, steep slopes, and type of access as follows:

<b>ADL</b>	<b>Lot</b>	<b>Acres</b>	<b>% Wetland</b>	<b>% Steep</b>	<b>Access</b>
109161	2	4.53	95%	30%	Walk-in
109170	11	2.52	66%	50%	Walk-in
109173	14	4.00	90%	40%	Walk-in



Karst Way, access to Lot 11 and Lot 2



Several muskegs within subdivision



Lot 2



Lot 11



Karst Way, undeveloped



Lot 14



Cul-de-sac at end of Troglobite Circle, access to Lot 14.

West Turn Creek Road, northern portion of subdivision



Troglobite Circle, access to Lot 14.

El Capitan Road, main access to subdivision



Karst Way, access to Lot 2 and Lot 11

Karst Way, not developed



Typical markings within West El Capitan Subdivision.



Typical monumentation within West El Capitan Subdivision

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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 in 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, the valuation section of the report is not available online. The entire report can be obtained by submitting a request to the Land Conveyance Section at (907)269-8594, or by e-mail: [landsales@alaska.gov](mailto:landsales@alaska.gov).