

MARKET VALUE APPRAISAL
of
Fourteen (14) parcels within

Little Goldstream – ASLS 2006-13
Martin Subdivision – ASLS 84-21
Skyridge Drive Subdivision – ASLS 2007-13
Vault Subdivision – ASLS 80-189



Trail access in Martin Subdivision, Block 7

APPRAISAL REPORT No. 4663-0

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. 4663-0

1. ADL NO(S): See table below
2. SIZE: See table below
3. APPLICANT: N/A
4. LOCATION: Subdivided lots located outside of 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 21, 2025
10. DATE of VALUE(S): August 20-22, 2024
11. APPRAISED VALUE(S):

ADL	Subdivision	Lot / Tr.	Block	ASLS	Acres	Date	Value (rnd)
419425	Little Goldstream	6	-	2006-13	2.65	8/20/24	\$16,500
412170	Martin	8	3	84-21	5.482	8/21/24	\$27,400
412883	Martin	12	1	84-21	6.37	8/21/24	\$29,600
419097	Martin	10	7	84-21	3.696	8/21/24	\$11,800
419107	Martin	20	7	84-21	4.04	8/21/24	\$12,400
419108	Martin	21	7	84-21	3.96	8/21/24	\$12,200
419119	Martin	32	7	84-21	5.836	8/21/24	\$16,000
418597	Skyridge Drive	7	1	2007-13	1.187	8/22/24	\$34,000
422322	Vault	7	4	80-189	5.00	8/22/24	\$37,500
422323	Vault	8	4	80-189	5.00	8/22/24	\$37,500
422324	Vault	9	4	80-189	5.027	8/22/24	\$37,700
422325	Vault	7	2	80-189	3.774	8/22/24	\$28,600
422326	Vault	2	3	80-189	5.305	8/22/24	\$26,900
422327	Vault	1	3	80-189	6.795	8/22/24	\$33,300

**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 plat.
6. The value of commercial timber, if any, is specifically excluded from the final conclusion of value.



REVIEW APPRAISER'S CERTIFICATION APPRAISAL NO. 4663-0

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 reviewed and approved appraisals for ADL 421590 and ADL 421591 within the past three years.

Reviewed by Kevin Hindmarch
Kevin Hindmarch, Review Appraiser

Date 2/18/25

cc: Justin Wholey

MEMORANDUM

State of Alaska

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

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

DATE: January 21, 2025

TO: Kevin Hindmarch
Review Appraiser

FROM Johnthomas Williamson 
Appraiser

SUBJECT: Appraisal of fourteen parcels within Little Goldstream, Martin, Skyridge Drive, and Vault Subdivisions.

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.

This valuation contains a hypothetical condition. As of the date of this report, the Department of Natural Resources is in the process of conducting a record of survey to locate a right-of-way within Vault Subdivision. The survey has been drafted and submitted for recordation, but it has not yet been recorded. It is a hypothetical condition that the survey for the Tanana Valley Railroad right-of-way is recorded as submitted. The affected parcels are valued as if the right-of-way depicted on the survey draft is final. See Page 8.

I have inspected all the subject parcels and select 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 values as of the effective date of value.

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APPRAISAL SUMMARY

Subdivision Names	Location	Survey
Little Goldstream	Approximately ten miles north of Nenana, off the Parks Highway.	ASLS 2006-13
Martin Subdivision	Approximately 25-miles northwest of Fairbanks, off Murphy Dome Road.	ASLS 84-21
Skyridge Drive Subdivision	Approximately ten miles north of Fairbanks off Skyridge Drive.	ASLS 2007-13
Vault	Approximately twenty miles north of Fairbanks off the Elliott Highway	ASLS 80-189

SUMMARY OF VALUES

ADL	Subdivision	Lot / Tr.	Block	ASLS	Acres	Date	Value (rnd)
419425	Little Goldstream	6	-	2006-13	2.65	8/20/24	\$16,500
412170	Martin	8	3	84-21	5.482	8/21/24	\$27,400
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419107	Martin	20	7	84-21	4.04	8/21/24	\$12,400
419108	Martin	21	7	84-21	3.96	8/21/24	\$12,200
419119	Martin	32	7	84-21	5.836	8/21/24	\$16,000
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422326	Vault	2	3	80-189	5.305	8/22/24	\$26,900
422327	Vault	1	3	80-189	6.795	8/22/24	\$33,300

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."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

The effective date of valuation for the subjects' range from August 20th to August 22nd, 2024. See Page 4 for individual dates.

Date of Report

The date of report is January 21, 2025.

¹ The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, p.90.

² Alaska Statutes Title 38, Public Land Article 5, State of Alaska, 2024, www.legis.state.ak.us/basis/folio.asp

³ 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."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. Currently, there are multiple parcels available throughout the area that are offered through various government and private programs. Considering the availability of parcels on the market, a longer exposure time of up to a year is reasonable for parcels off the road system. Road accessible parcels generally sell in a shorter period.

Property History

All the subjects have been previously offered through the DNR Subdivision Auction. Some of the subjects were sold either through the Auction, or the OTC process and encumbered under a land sale contract. Each land sale contract has been subsequently terminated due to non-payment. Specific property histories are outlined within the Parcel 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 select comparable sales from August 20th to August 23rd, 2024. I have inspected the remaining comparable sales during previous 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 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.

⁴ Uniform Standards of Professional Appraisal Practice 2024, 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.

Hypothetical Condition for Vault Subdivision –

The now defunct Tanana Valley Railroad had ownership of a right-of-way that crosses portions of Lots 8 and 9 in Block 4, Lot Vault Subdivision. The rails themselves are no longer present, and the right-of-way was never surveyed.

As of the date of this report, the Department of Natural Resources is in the process of conducting a record of survey to located the right-of-way. The DNR Survey Section has submitted a plat for recordation. However, as of the date of this report, the survey is not finalized.

It is a hypothetical condition that the survey for the Tanana Valley Railroad right-of-way is recorded as submitted. The affected parcels are valued as if the right-of-way depicted on the survey draft is final and exists as located.

PRESENTATION OF DATA

Market Area⁵

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 lies 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. It is located 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 Fairbanks metropolitan area, the second largest in the state.

The local economy is predominately a bedroom community for Fairbanks. There is limited seasonal mining in the area. 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.

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

Market Area – Nenana⁶

Nenana is located in Interior Alaska, 55 road miles southwest of Fairbanks on the George Parks Highway. The town site is located at mile 412 of the Alaska Railroad, on the south bank of the Tanana River, just east of the mouth of the Nenana River. It is approximately 300 road miles northeast of Anchorage.

Nenana has a cold, continental climate with an extreme temperature range. The average daily maximum during summer months is 65 to 70°F; the daily minimum during winter is well below 0°F. The highest temperature ever recorded is 98°F; the lowest is -69°F. Average annual precipitation is 11.4 inches, with 48.9 inches of snowfall. The river is ice-free from mid-May to mid-October.

The discovery of gold in Fairbanks in 1902 brought intense activity to the region. In 1903, a trading post and roadhouse was constructed by Jim Duke to supply river travelers and trade with Natives. St. Mark's Episcopal Mission and School was built upriver in 1905. A post office opened in 1908. By 1909, there were about 12,000 residents in the Fairbanks area, most drawn by gold mining activities. In 1915, construction of the Alaska Railroad doubled Nenana's population. The Nenana Ice Classic. The community incorporated as a city in 1921. The railroad depot was completed in 1923, when President Warren Harding drove the golden spike at the north end of the 700-foot steel bridge over the Tanana River, which created a transportation link to Fairbanks and Seward. During the 1925 diphtheria epidemic in Nome, serum from Anchorage was transported to Nenana by train before being sent by dogsled to Nome. According to local records, 5,000 residents lived in Nenana during this time; however, completion of the railroad was followed by an economic slump. The population in 1930 was recorded at 291. Today, close to 500 people live there.

A federally-recognized tribe is located in the community -- the Nenana Native Association. The population of Nenana is a diverse mixture of non-Natives and Athabascans. The majority of residents participate in subsistence activities. Several Iditarod sled dog race competitors and former champions are residents of Nenana. The community has a health clinic, mental health clinic, fire department, public library, and State Troopers office. It is home to the Nenana District Court system. Golden Valley Electric has their Railbelt office located in Nenana. The Nenana Student Living Center, one of three statewide boarding facilities for high school students, has students from around the state; it attracts students due to its extensive programs, academic quality, and vocational studies.

Over 40% of the year-round jobs are government-funded, including the city, tribe, Nenana School District, Yukon-Koyukuk School District, and DOT highway maintenance. As the center of rail-to-river barge transportation center for the Interior, Nenana has a strong seasonal private-sector economy. Crowley Marine is the major private employer in Nenana, providing supplies and fuel to over 40 villages along the Tanana and Yukon Rivers each summer. The city also attracts independent travelers with fuel and supplies, the Alaska Railroad Museum, the Golden Railroad Spike Historic Park and Interpretive Center, the historical St. Mark's Episcopal Church, Iditarod dog kennels, and the Alfred Starr Museum & Cultural Center. The Nenana Ice Classic, a guessing contest when the ice breaks in the Nenana River, is a statewide event.

Nenana has air, river, road, and railroad access. It lies on the George Parks Highway, the road between Wasilla and Fairbanks. The railroad provides daily freight service. The Nenana Municipal Airport offers a 4,600' long by 100' wide lighted asphalt runway and a gravel runway that doubles as a winter ski strip and measures 2,520' long by 60' wide. There is also a float pond with parking basins. The Nenana Port Authority operates the dry cargo loading and unloading facilities, dock, bulkhead, and warehouse. The Tanana River is shallow, with a maximum draft for loaded river barges of 4.5 feet. There is a public boat launch with a recreational area to provide access to the Nenana and Tanana rivers. Daily buses to Fairbanks and Anchorage are available year-round.

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

Property Description – Little Goldstream

ADL	Subdivision	MTRS	Lot	ASLS	Acres	Rec. Plat	Recording District
419425	Little Goldstream	T3S R7W Sec. 9	6	2006-13	2.65	2012-5	Nenana

Location

The subject is located approximately seven miles northeast of Nenana, west of the Richardson Highway, and east of the railroad, within Section 9 of Township 3 North, Range 7 West, Fairbanks Meridian.

Access

Access to the subdivision is from the Parks Highway to Agricultural Road No. 2, a constructed gravel road. Lot 6 fronts Agricultural Road No. 2.

Size & Shape

ADL 419425 is 2.65-acres and rectangular in shape.

Topography

The subdivision is level and approximately 500 feet above sea level.

Soils/Vegetation

The site is vegetated with a mix of mostly black and white spruce, alder, and underbrush. Vegetation is indicative of a mix of wet soils in the interior of the lot with more adequately drained soils near the southern lot line along the gravel road.

Utilities, Water & Sewer

There is electricity in the area. Overhead electric transmission lines have been extended to the western portion of the subdivision and the parcel directly south of the subject. 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

ADL 419425 is located in the Unorganized Borough and is not subject to zoning. There are typical easements throughout the subdivision. There is a 30' utility easement and a 50' development setback from Agriculture Road No. 2. The subject is not adversely affected by atypical easements.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Ownership History

ADL 419425 was offered through the 2015 Auction. The parcel did not receive a bid and was later sold through the OTC offering. The applicant entered into a land sale contract, see Document 2016-000294-0. The contract then defaulted in 2022 and was terminated, see Document 2023-000059-0. Ownership reverted to the State. DNR is the owner of record.

Tax Assessments

The subject is located within the Unorganized Borough and is not currently subject to property tax.



Monument corner 2 of Lot 6.



Agricultural Way looking west, access to subject. (DNR file photo)



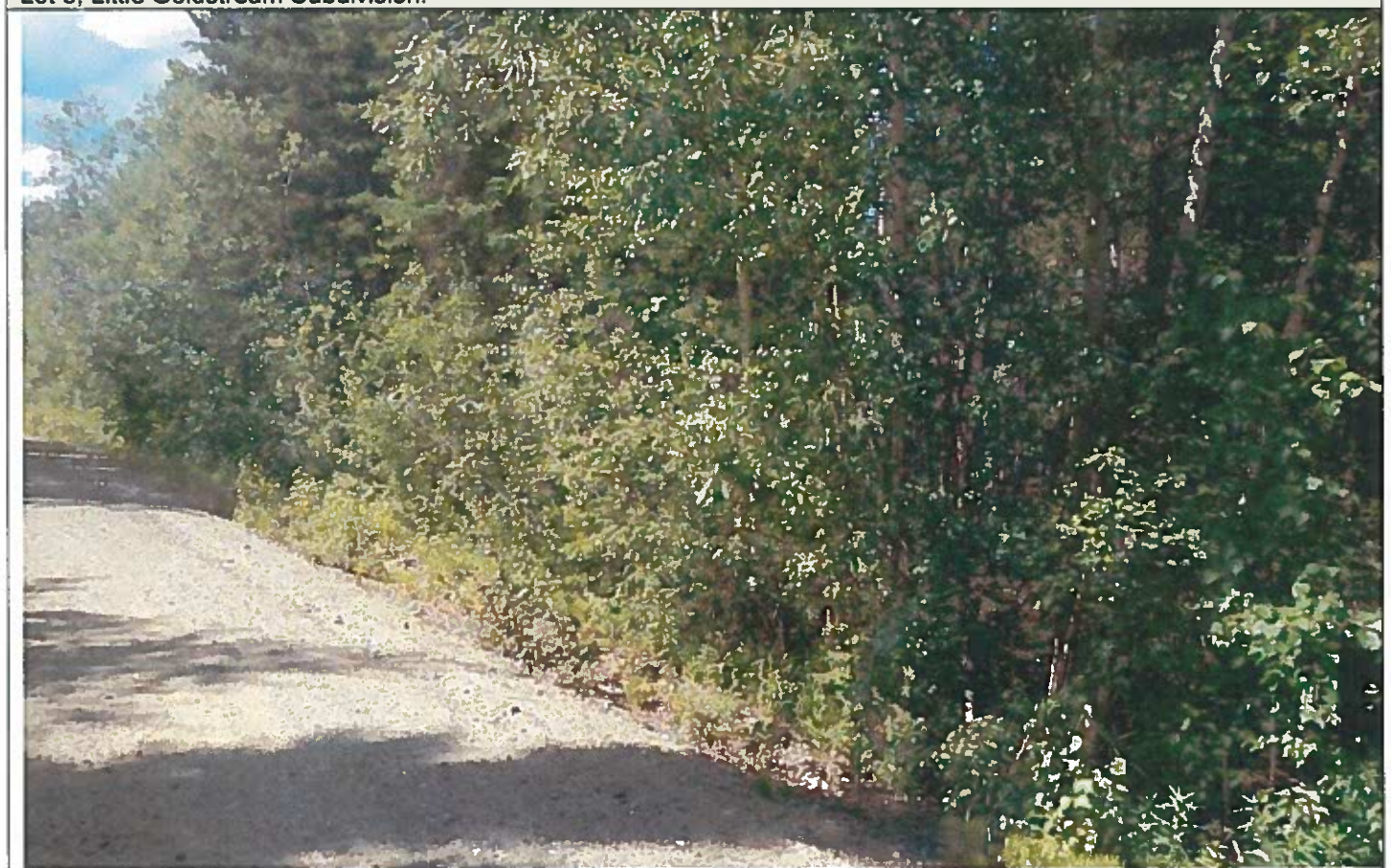
Lot 6, Little Goldstream Subdivision on left.



Lot 6, Little Goldstream Subdivision.



Lot 6, Little Goldstream Subdivision.



Lot 6, Little Goldstream Subdivision, near southwestern corner at road.

Property Description – Martin Subdivision

ADL	Sub.	Sec.	MTR	Lot	Blk.	ASLS	Acres	Plat	Rec. District	PAN
412170	Martin	31,32	F2N3W	8	3	84-21	5.482	84-275	Fairbanks	0420271
412883	Martin	32	F2N3W	12	1	84-21	6.37	84-275	Fairbanks	0420166
419097	Martin	5	F1N3W	10	7	84-21	3.696	84-275	Fairbanks	0421073
419107	Martin	5	F1N3W	20	7	84-21	4.04	84-275	Fairbanks	0421171
419108	Martin	5	F1N3W	21	7	84-21	3.96	84-275	Fairbanks	0421189
419119	Martin	5	F1N3W	32	7	84-21	5.836	84-275	Fairbanks	0421481

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 ADL 412170 and ADL 412883 is via a dirt road. Access to the remaining subjects within Block 7 is via ATV trail or walk-in. There are constructed roads within the subdivision. However, High Sierra Drive deteriorates into a trail before Matterhorn Drive, prior to the subjects within Block 7.

Topography, Soils, Size & Shape

Martin Subdivision is generally sloping downwards to the south. Lots are level to sloping, range from 3.696-acres to 6.37-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. Previously, ADL 412883 was found to have two fuel drums present with stained soil surrounding the drums. Prior to the field inspection, the Department of Natural Resources contracted a third-party engineering company to remediate the hazardous waste. See casefile for details.

Property History

ADL 419119 has not sold. The parcel received an OTC application. However, the applicant did not enter into contract. ADL 419119 has remained in State ownership.

ADL 412883 was sold through the 1986 Lottery Program. In 1993, the property was seized by the U.S Marshall's Office, see Document 1993-008179-0. Later that year, the U.S Marshall's Office issued a quitclaim deed, and the parcel reverted to State Ownership, see Document 1993-014720-0.

The remaining subjects have been previously offered through the DNR Subdivision Auction. Subjects that have been previously sold have been encumbered under a land sale contract. Each land sale contract has been subsequently terminated due to non-payment and parcels have reverted to State ownership. DNR is the owner of record, see grid below:

ADL	Sub.	Lot	Blk.	Sold	Document	Termination	Document
412170	Martin	8	3	10/25/95	N/A	2/3/12	2012-002905-0
419097	Martin	10	7	3/11/21	2021-012982-0	3/21/23	2023-003280-0
419107	Martin	20	7	11/8/18	2019-002483-0	3/21/23	2023-003281-0
419108	Martin	21	7	3/23/18	2021-009206-0	2/28/23	2023-002425-0

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 24.95. 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.

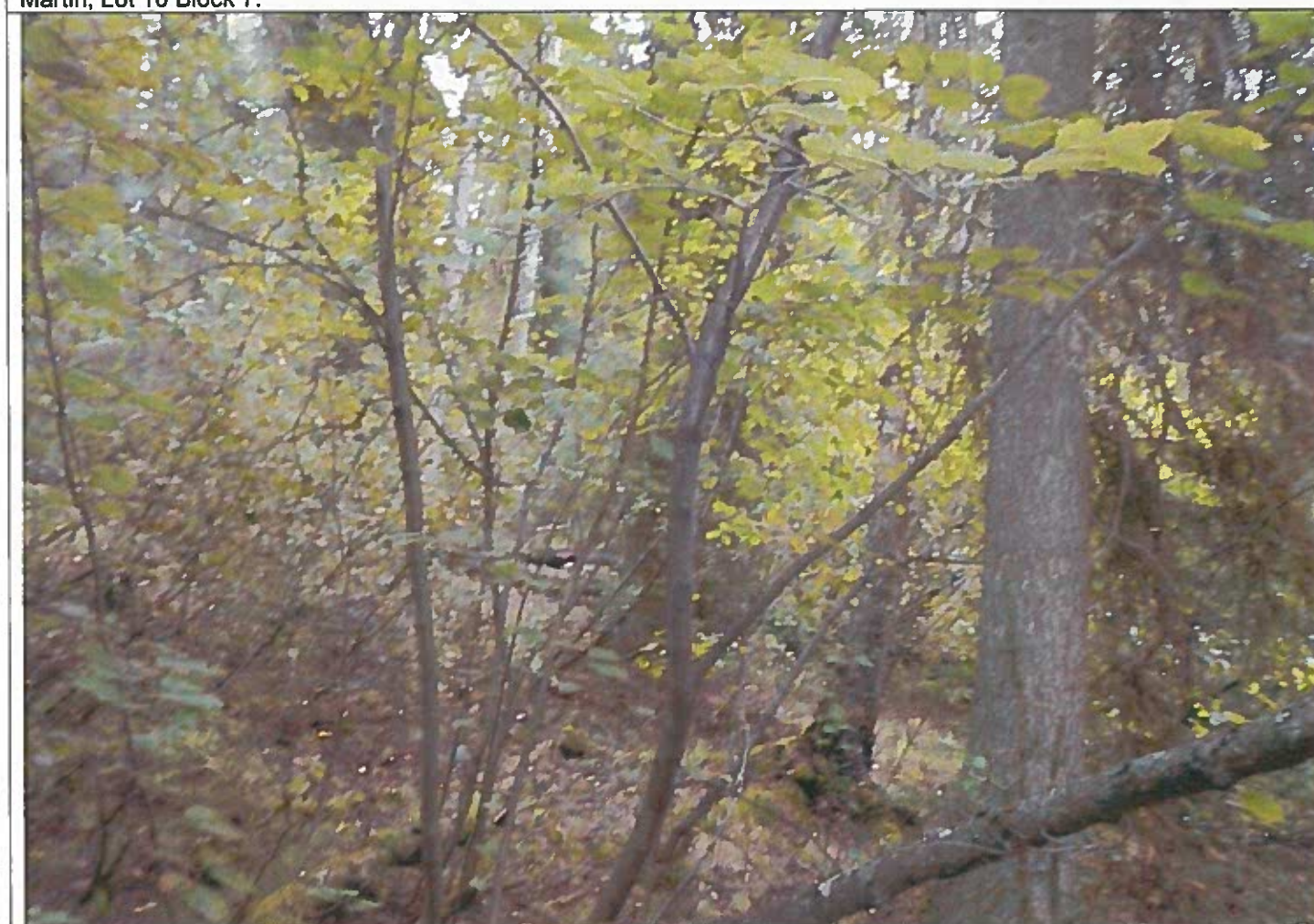
There is a dilapidated block structure on ADL 412883. Ownership of the structure transferred to the U.S Marshalls Office in 1993. Subsequently, the State of Alaska agreed to pay the U.S. Marshall's office \$862.61 for the building. The structure is not considered personal property.

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



Martin, Lot 10 Block 7.



Martin, Lot 10 Block 7.



Martin Lot 21 Block 7 on left.



Martin Lot 21 Block 7 on left.



Monumentation on opposite side of ROW from Lot 21, Block 7



Wind River Road at Lots 20 and 21, Block 7.



Typical vegetation Lot 20, Block 7.



Lot 32 Block 7 on High Sierra Dr.



Lot 32 Block 7 on High Sierra Dr.



Southeast corner of Lot 12.



Access to Lot 12 and Lot 8 along Cascade Road.



Block structure on Lot 12



Crawlspace of block structure on Lot 12



Block structure on Lot 12



Block structure on Lot 12



Dilapidated stick framing on block structure, no roof, doors, or windows.



Lot 12



Lot 8 looking east, subject on right.



Lot 8 looking west, subject on left



Overhead electric at Lot 8.

Property Description – Skyridge Drive ASLS 2007-13

ADL	Subdivision	MTRS	Lot	Blk	ASLS	Acres	Plat	Recording District	PAN
418597	Skyridge Drive	FM T1N R1W Sec. 12	7	1	2007-13	1.187	2012-104	Fairbanks	0651405

Location

The subject is located approximately six miles north of Fairbanks between Farmers Loop and the Elliott Highway along Skyridge Drive.

Access

ADL 418597 is accessed along constructed gravel roads via Skyridge Drive, then Quakenbush Road to Constance Court. The parcel is on a gravel cul-de-sac.

Size & Shape

The parcel is 1.187-acres and irregular in shape.

Topography

The subject is situated along a gently sloping hill approximately 1,000 feet above sea level.

Soils/Vegetation

The parcel is vegetated with a mix of birch, alder, white spruce and poplar. Vegetation is indicative of adequate drainage.

Utilities, Water & Sewer

There is overhead electric service lines adjacent to the parcel. 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 Regulations⁷

The parcel is located within the Fairbanks – NorthStar Borough zoned for Rural Residential. There are typical easements throughout the subdivision. The site is not adversely affected by atypical easements.

Environmental Hazards, Hazardous Waste & Toxic Materials

No toxic materials, waste, or hazards were observed during the field inspection. There is an outhouse on the subject.

Tax Assessments⁸

There is no tax burden assessed to the State of Alaska from the Fairbanks - NorthStar Borough. Tax assessments to private parties will become active when property is sold into private ownership. The Mill Rate for this area is currently 14.81.

Ownership History

ADL 418597 was offered through the 2018 DNR Subdivision Auction with a minimum bid of \$31,000. The parcel did not receive a high bid, and the parcel was later sold through the OTC offering later that year. The applicant entered into a land sale contract, see Document 2019-001646-0, which was subsequently terminated in 2022 due to a breach in contract, see Document 2022-013406-0. The parcel returned to the State, and DNR is the owner of record.

⁷ <http://gis.co.fairbanks.ak.us/>

⁸ *ibid*

Personal Property

There is no personal property involved with the appraisal of this property. The former occupant cleared a level portion of the site and began construction on a dwelling. When the contract was terminated, the occupant removed the structure. There is a clearing for a building pad and a large hole intended for the instalment of a future septic system.



Top of vent



Vent pipe leads to hole prepped for septic. No system is in place.



ADL 418597, access from Constance Ct.



ADL 418597. Cleared area, previous building site.



ADL 418597. Outhouse on site.



ADL 418597.



Overhead service lines in subdivision (MLW file photo) Existing lines on south side of subject lot line.



ADL 418597. Trail from Constance Ct. No driveway.

Property Description for Vault Subdivision

ADL	Sub.	MTR	Sec	ASLS	Lot	Blk.	Acres	Plat	Recording District	PAN
422322	Vault	F3N1W	36	80-189	7	4	5.00	81-142	Fairbanks	0341622
422323	Vault	F3N1W	36	80-189	8	4	5.00	81-142	Fairbanks	0341631
422324	Vault	F3N1W	36	80-189	9	4	5.027	81-142	Fairbanks	0341649
422325	Vault	F3N1W	36	80-189	7	2	3.774	81-142	Fairbanks	0341533
422326	Vault	F3N1W	36	80-189	2	3	5.305	81-142	Fairbanks	0341550
422327	Vault	F3N1W	35,36	80-189	1	3	6.795	81-142	Fairbanks	0341541

Location

Vault Subdivision is located approximately 18 miles north of Fairbanks, west of the Elliott Highway within Sections 35 and 36 of Township 3 North, Range 1 West, Fairbanks Meridian.

Access

Access to the subjects is via Elliott Highway, then west on Vault Drive, then north along Wildcat Creek Way, Treasure Street, or Vault Drive. All parcels are access along and front gravel roads.

Topography & Shape

The parcels are level to moderately sloping and range from 3.774 to 6.795 acres. Parcels within Block 2 and Block 4 are rectangular. Parcels within Block 3 are irregular in shape. The subdivision is approximately 1,100 feet above sea level.

Soils/Vegetation

The subjects contain primarily mature spruce with a mix of birch and alder. Vegetation is indicative of adequately drained soils with multiple building sites.

Zoning Regulations & Tax Assessments

There are typical access easements throughout the subdivision. The parcels are within the Fairbanks – North Star Borough and zoned RE-4, Rural Estate. Currently, the mill rate for this subdivision is 12.794.

Environmental Hazards, Hazardous Waste & Toxic Materials

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

Utilities, Water & Sewer

Overhead electric service lines run along the southern lot lines of subjects within Block 2 and Block 4. However, subjects within Block 3 do not have service lines on site. Both ADL 422326 and ADL 422327 in Block 3 would require the installation of two additional electric poles. The extension could serve both sites.

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.

Ownership History

None of the parcels have been previously offered to the public. DNR is the owner of record.

Personal Property

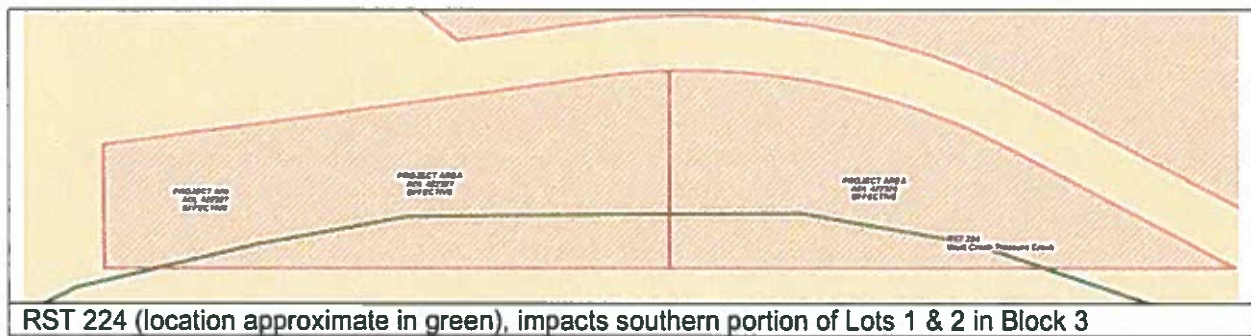
There is no personal property involved with the appraisal of these parcels. There are no improvements.

Easements

A right of way for the now defunct Tanana Valley Railroad encumbers the southern portion of ADL 422324, Lot 9 Block 4 and the southeastern corner of ADL 422323, Lot 8 Block 4. The right of way is in the process of being surveyed, and a draft has been submitted for recordation. A draft of the plat has been included in the Addenda.

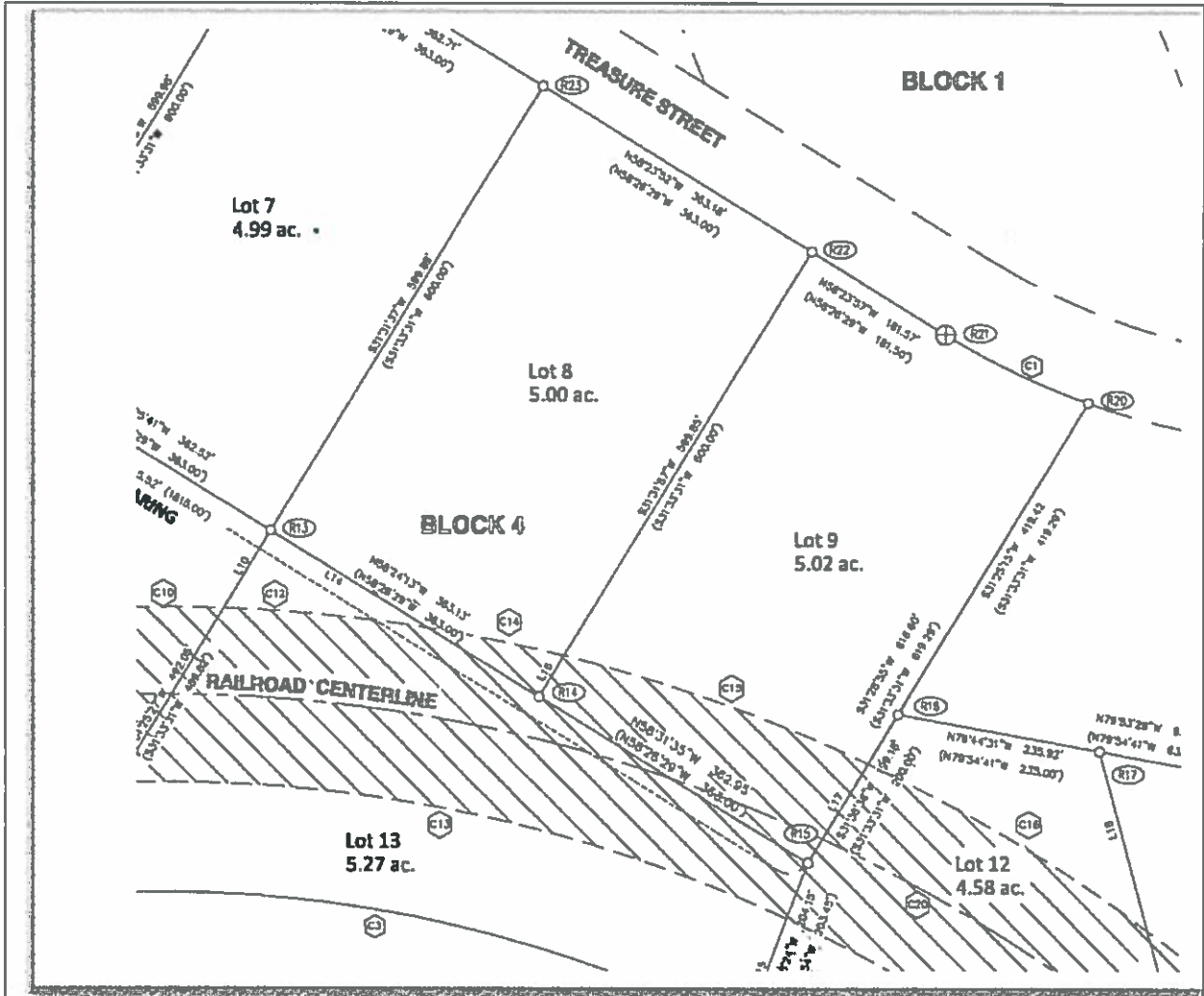
A 40' platted access easement for a trail bisects ADL 422325, Lot 7 Block 2.

A RS2477 trail impacts two parcels within Block 3. The Vault Creek - Treasure Creek Trail bisects the southern portion of ADL 422326 and ADL 422327. This trail, serialized as RST 224, is a historic trail used as a connecting route from Vault City to Treasure Creek and connected with the other mining trails north of Fairbanks. The trail was maintained by the Alaska Road Commission as Road #7F, and the grant of the RS 2477 ROW for the Vault Creek – Treasure Creek Trail was accepted by construction and use.

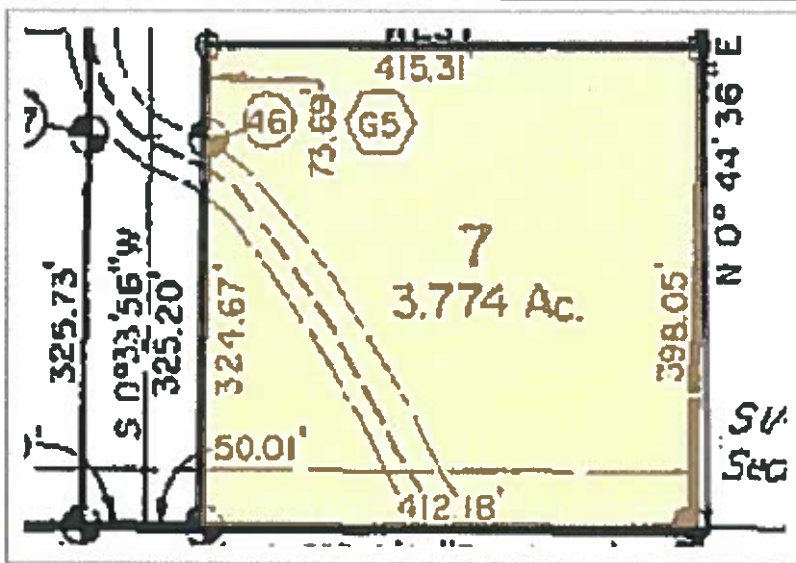


RST 224 (location approximate in green), impacts southern portion of Lots 1 & 2 in Block 3

Easements



Tanana Valley Railroad ROW impacts corner of Lot 8 and southern portion of Lot 9 in Block 4



Trail impacts Lot 7 in Block 2



Overhead electric on the back lot lines of Lots 7, 8, and 9 in Block 4



Overhead electric lines at the southwestern corner of Lot 7 Block 2



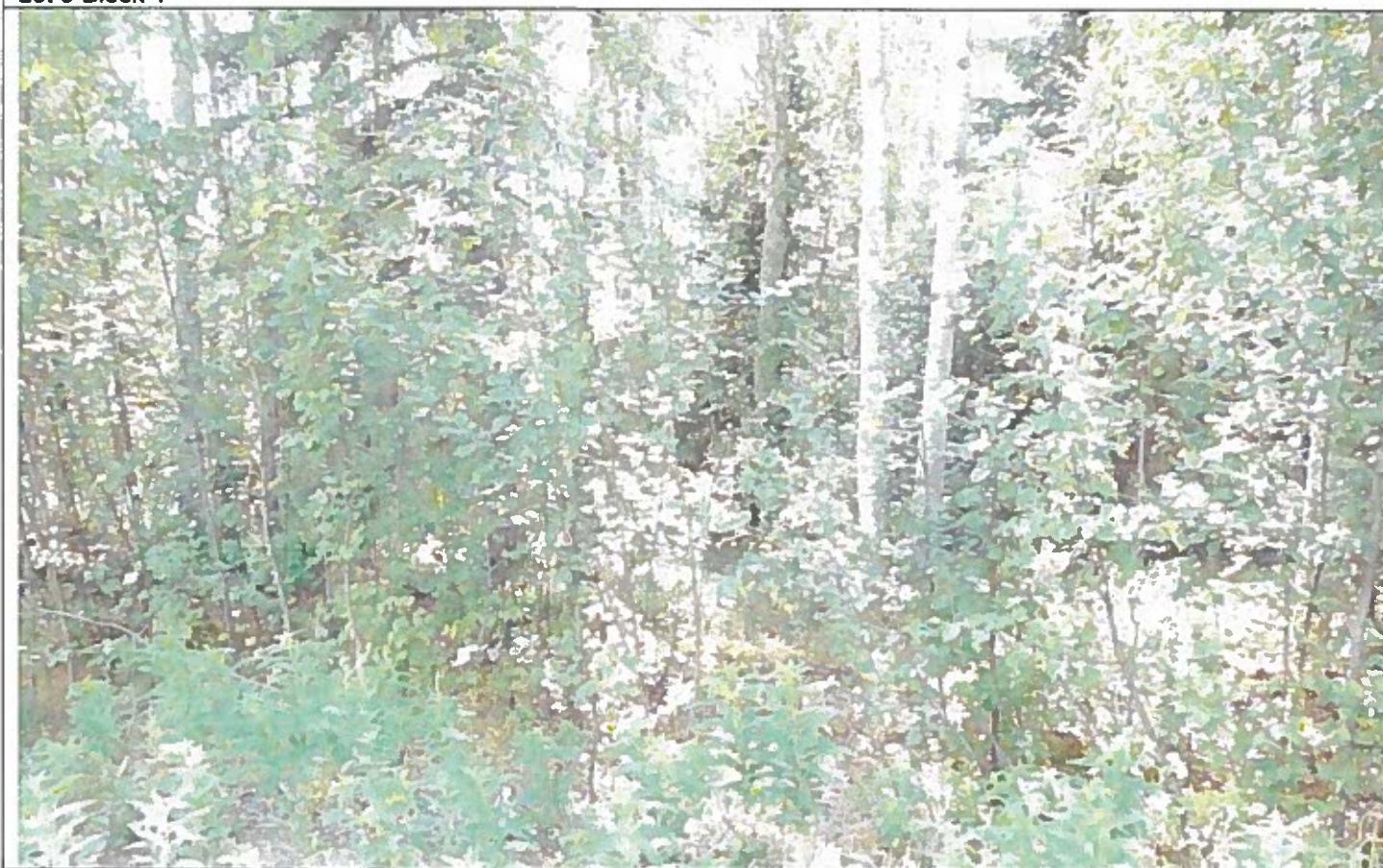
Access to Vault along Wildcat Rd. Lot 7 Block 2 on right



Access to subjects in Block 4 along Treasure St.



Lot 9 Block 4



Lot 8 Block 4



Monumentation on Lot 9 Block 4



Lot 7 Block 4, access. Subject on left



Northwest corner of Lot 7 Block 4, looking southwest.



Lot 8 Block 4, looking southwest.



Lot 2 block 3 on left, access along Vault Drive. Sloping topography on the western portion of site.



Lot 2 Block 3 looking south. Typical vegetation, sloping topography.



Lot 2 Block 3 near curve in Vault Drive.



Lot 1 Block 3



Near northwest corner of Lot 1 Block 3 and Tract D, on left



Lot 1 Block 3

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, 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.