

# **MARKET VALUE APPRAISAL**

**East Fork Pass II  
Remote Recreational Cabin Staking Area**



Photo from survey inspection

**BASE APPRAISAL REPORT No. 4198-2**

**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. 4198-2

1. ADL NO(S): To be determined
2. SIZE: 5.00 to 20.00 acres
3. APPLICANT: N/A
4. LOCATION: Approximately 40 miles east-northeast of Nome
5. LEGAL DESCRIPTION(S): To be determined by survey, within the East Fork Pass RRCS
6. INTEREST APPRAISED: Fee Simple less mineral rights
7. PURPOSE OF THE APPRAISAL: Estimate market value of hypothetical key parcels within the subject area
8. APPRAISED BY: Johnthomas Williamson, Appraiser II
9. DATE of REPORT: September 19, 2023
10. DATE of VALUE(S): September 19, 2023
11. APPRAISED VALUE(S):

Conclusion of value for Hypothetical Key Parcels			
	Size	Per/acre	Per/site (RND)
<b>Key Parcel</b> <i>1<sup>st</sup> tier Nome-Council Road</i>	<b>5.00 acres</b>	<b>\$3,600</b>	<b>\$18,000</b>
	10.00 acres*	\$2,700	\$27,000
	15.00 acres*	\$2,340	\$35,100
	20.00 acres*	\$2,016	\$40,300

-**Key Parcel in bold** (\*Size adjusted *Key Parcels* based on adjustment shown in the report Addenda)

## B. SUMMARY OF REVIEW

1. DATE of REVIEW: September 19, 2023
2. REVIEWER'S CLIENT:  DNR  Other: \_\_\_\_\_
3. INTENDED USERS of the REVIEW:  DNR  General Public  Other: \_\_\_\_\_
4. INTENDED USE of the REVIEW: The values and adjustments will be used to establish the purchase prices for parcels to be staked by various applicants
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: None  
 Proofread DNR data entry:  Yes  No
7. RESULTS OF REVIEW:  Not Approved  Approved Approved Value: See A.11



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 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. 4198-2**

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 9/19/23

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 and Water  
550 West 7<sup>th</sup> Avenue, Suite 650  
Anchorage AK 99501-3576

DATE: September 19, 2023.

TO: Kevin Hindmarch  
Review Appraiser

FROM: Johnthomas Williamson  
Appraiser

SUBJECT: Appraisal of a Hypothetical Key Parcel within the East Fork Pass II Recreational Cabin Site Staking Area – Base Appraisal Report #4198-2

As requested, I have completed a valuation of a hypothetical Key Parcel in the above staking area. I understand that this appraisal will be used to determine the base purchase price for staked recreational parcels, or the minimum bid for administratively surveyed parcels within this area. 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 Remote Recreational Cabin Site Disposal. 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 not conducted an inspection of the staking area. However, I have reviewed previous appraisals of the staking area. In addition, most of the comparables sales have been inspected by other DNR staff, and I have consulted with a DNR staff appraiser familiar with the staking area. The physical description of the subject was based on aerial photography, topographic maps, previously completed appraisal reports, and interviews of various individuals familiar with the area. Based on my 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>East Fork Pass Remote Recreational Cabin Site - Hypothetical Key Parcel</b>	
<b>Location</b>	The staking area is located approximately 40-miles northeast of Nome, and 15 miles southwest of Council, between the East Fork Solomon and Skookum Rivers.
<b>Topography Map</b>	USGS Solomon C-4 and C-5
<b>Legal Description</b>	Within Sections 1-36, Township 9 South, Range 27 West, Kateel Meridian.
<b>Owner</b>	The State of Alaska, Department of Natural Resources is the current owner of record.
<b>Size</b>	Key Parcel A is 5-acres.
<b>Access</b>	Summer access is by highway vehicle via the Nome-Council Road, then by foot or ATV to the parcel, within a quarter mile of the road. Winter access is via snowmachine.
<b>Building Site</b>	Level to moderately sloping with adequately drained soils supporting a building site.
<b>Setbacks</b>	<p>A 200-foot staking setback from the edge of the Nome-Council Road.</p> <p>A 200-foot staking setback from ADL 411932 (DOT Easement)</p> <p>A 100-foot building setback the East Fork Solomon River, French Creek Trap Creek, Lime Creek, Horton Creek and any other public or navigable water bodies</p> <p>A minimum 70-radius reserve around the University of Alaska Fairbanks radio and meteorological station.</p> <p>A reserved area over and around material site ADL 418907, to be determined prior to staking.</p> <p>Multiple reserved areas to protect any ecologically sensitive, historic, or archeological sites within the project area.</p>
<b>Easements</b>	<p>Parcels may be subject to the following:</p> <p>A 60-foot public access easement along all existing unnamed trails.</p> <p>A 30-foot public access and utility easement along interior parcel boundary lines.</p> <p>A 50'-wide section line easement on each side of surveyed or protracted section lines on State-owned land in accordance with AS 19.10.010, 11 AAC 51.025, AS 19.30.410, and 11 AAC 51.065;</p> <p>A 50' continuous easement upland from the ordinary high water of public or navigable water bodies in accordance with AS 35.05.127;</p> <p>A 5' survey easement from the nearest practical point on the property boundary to control monuments within the parcel and an easement with a radius around the control monument, and as applicable, a 5' direct line-of-sight easement from the control station to an azimuth mark or other control monument.</p>
<b>Amenities</b>	Typical view of the surrounding area
<b>Improvements</b>	None
<b>Highest and Best Use</b>	Recreational cabin site
<b>Interest Appraised</b>	Fee simple title, excluding mineral rights
<b>Effective Date of Value</b>	September 19, 2023
<b>Date of Report</b>	September 19, 2023

### Conclusion of Value

	Size	Per/acre	Per/site (RND)
<b>Key Parcel 'A' Within ¼ of road.</b>	<b>5.00 acres</b>	<b>\$3,600</b>	<b>\$18,000</b>
	10.00 acres*	\$2,700	\$27,000
	15.00 acres*	\$2,340	\$35,100
	20.00 acres*	\$2,016	\$40,300

**-Key Parcel in bold** -\*Size adjusted *Key Parcels* based on adjustment shown in Addenda

### Adjustments for Staked Parcels

Adjustments		
<b>Date of Value</b>	Date of entry	To be determined
<b>Location</b>	No distinctions within staking area	None
<b>Size, acres</b>	Adjustments for size variations	See addenda
<b>Access</b>	Greater than a quarter-mile from constructed road	0.85 of Key Parcel 'A', or a 15% downward access adjustment.
<b>Easements</b>	Typical easements are considered in the base value. Other easements or trails across staked parcels to be handled on a case-by-case basis.	To be determined
<b>Building site</b>	Poor: Mostly steep, mostly wet ground, or unstable soils	0.80 to 0.90
	Average: Level to moderately sloping with adequately drained soils supporting a building site.	1.00
	Good: Mostly level to gently sloping, well drained. Multiple building sites	1.00 – 1.10
<b>Amenities</b>	Superior views	1.00 – 1.10
	Unnamed creek or pond frontage.	1.00 – 1.20
<b>Miscellaneous</b>	Differences in parcels discovered during field inspection.	To be determined

**Adjustment Process:** An adjustment of less than 1.00 means the feature of the staked parcel is inferior to the hypothetical key parcel and requires a downward price adjustment. An adjustment of greater than 1.00 means the feature is superior to the hypothetical key parcel, requiring an upward adjustment. An adjustment of 1.00 means the property feature is similar to the key parcel, and no adjustment is necessary. The adjustments are multiplied to obtain a total adjustment, which is then multiplied by the estimated value of the key parcel to yield a value for the staked parcel.

## 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 in accordance with Special Appraisal Instructions, DNR Remote Recreational Cabin Site Disposal.

### Purpose of Appraisal

The purpose of this appraisal is to estimate current market value.

### Intended Use of Appraisal

The appraisal will be used by DNR to determine the purchase price for parcels to be acquired under the Remote Recreational Cabin Site staking program (AS 38.05.600). Or determine the minimum bid for administratively surveyed parcels acquired under the Subdivision Auction Program (AS 38.05.035)

### 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

The effective date of the value estimate is September 19, 2023.

### Date of Report

The date of the report is September 19, 2023.

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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 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.

Based on exposure time for similar properties, the estimated values are based on an exposure time of up to two years.

**Sales History**

There are multiple private parcels within the staking boundary. However, potential staking sites have not sold within the last three years. DNR is the current owner of record.

**Scope of the Appraisal**

I have not inspected the general staking area, or comparable sales. I have reviewed multiple department reports of the area including survey field reports and appraisal inspection reports. Physical descriptions of the hypothetical Key Parcel and staking area is based on aerial photography, topographic maps, peer appraisal reports, interviews with realtors and various individuals familiar with the area.

DNR appraisal records were searched for recent sales of similar parcels. Multiple real estate listings were searched, including; private classified ads, private real estate firms, DNR land disposal programs, the University Land Office, and the Mental Health Land Trust. Interviews were conducted with real estate agents, appraisers, and other individuals who provided data about trends in values, supply and demand. Sellers and buyers or other knowledgeable market participants were contacted to verify recent sale prices and other transaction details. After analysis of all available data, appropriate comparable sales were selected.

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<sup>4</sup> Uniform Standards of Professional Appraisal Practice 2020-2021, Appraisal Foundation, p.U-2.

## **Assumptions and Limiting Conditions**

- . The property is appraised as vacant land without structural or site improvements.
- . 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.
- . 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.
- . 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.
- . 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.
- . 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.
- . 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.
- . 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.
- . 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.
- . Unless noted, the existence of personal property or improvements, if any, could not be confirmed. The properties are appraised "as vacant".
- . 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.
- . 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**

At the time of the appraisal, information about the staking area is based on preliminary information. It is assumed that setbacks, easements and other information described in this report will not change. The appraiser reserves the right to amend the appraisal if changes that substantially alter the information provided in this report occur.

## PRESENTATION OF DATA

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

#### - Nome

Nome is located along the south coast of the Seward Peninsula, on Norton Sound. The city is approximately 540 air miles northwest of Anchorage, 100 miles south of the Arctic Circle, and 160 miles east of Russia. Nome is located in the Cape Nome Recording District, and the city encompasses twelve square miles of land and nine square miles of water.

Nome was founded in the gold-rush era in 1901 and was once the most populous city in Alaska. In 1898, three Scandinavian prospectors discovered gold on Anvil Creek, which led to a boomtown the following year. Gold was then discovered along the beach, which brought additional miners. Nome is in a unique location along the coast and was easily accessible via steam ship from Seattle and San Francisco. It is estimated that the population reached over 20,000 in 1909 but quickly declined to around 2,600. In the winter of 1925, a diphtheria epidemic severely struck the region. A blizzard prevented air transport of the diphtheria antitoxin, so a relay of dog sled teams was organized to deliver the serum from Nenana to Nome. Today, the Iditarod Race to Nome commemorates the serum run.

The economy of Nome is based on government, transportation, and retail services. Nome serves as the service and transportation center for the Bering Strait area. The 2020 census recorded a population of 3,699, which was a slight increase from the previous 2010 census. The local unemployment rate has fluctuated recently but is estimated at 10%. Approximately a quarter of all workers are employed in the public sector, and roughly 50 residents hold commercial fishing permits.

Food, fuel, and medical services are available in Nome. The city is serviced by a plumbed water distribution system supplied by a ground water well. The city also has a wastewater collection system that has 9 lift stations and 1,250 service connections. Electrical service is provided by Nome Joint Utility System. The city owns and operates a Class II landfill for refuse disposal.

Nome is the regional center of transportation for the surrounding villages. There are two state-owned airports. The Nome Airport has two, mile-long paved runways that are large enough to accommodate scheduled jet flights. Fixed wing charters and helicopter services are available as well.

#### -Staking Area

The East Fork Pass II RRCS staking area is located approximately 40 miles northeast of the City of Nome. The Nome-Council Highway runs through the northeast portion of the staking area. Elevations range from 300 feet to 1,750 feet above sea level. The area is the headwaters for both the East Fork of the Solomon River, and the Skookum River.

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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> and <https://www.wikipedia.org/>

## East Fork Pass II Staking Area Description

PHYSICAL CHARACTERISTICS	
Location	The staking area is located approximately 40-miles northeast of Nome, and 15 miles southwest of Council, between the East Fork Solomon and Skookum Rivers.
Legal Description	Within Sections 1-36, Township 9 South, Range 27 West, Kateel Meridian.
Native Regional and Village Corporations	The Bering Straits Native Corporation is the regional corporation for the East Fork Pass RRCS. Council, White Mountain and Solomon are located within 25-miles of the project area.
Flood Zone	Federal Emergency Management Agency Flood Insurance Rate Maps are not available for the staking area
Topography map	USGS Solomon C-4 and C-5.
Topography	The staking area features generally rolling topography, and ridgelines tend to be flat and broad. Elevation of the staking area is approximately 300' to 1,750' above sea level. The northern and western regions of the staking area are relatively steep with a grade greater than 20%.
Access	The primary access to the staking area is along the Nome-Council Road, then overland by foot or ATV. Winter access is via snow machine. Two trails provide access to the central and southern portion of the staking area. Alternative access is via ski-plane, or wheeled plane on appropriate ridgelines.
Utilities	There are no utilities in the staking area.
View	Views typical of surrounding area including ridges and valleys.
Climate	Typical of northwestern Alaska, this area has a cold climate with moderate seasonal temperature variation and low precipitation. Summer temperatures range from the mid-40's to mid 50's. Winter temperatures range from just below zero to the mid 30;s. Average annual precipitation is 16 inches with 63 inches of snowfall.
Soils/Vegetation	According to the Exploratory Soil Survey of Alaska, soils in the project area are generally shallow over areas of permafrost. Soils on ridge tops are typically gravelly and well drained.
Water Source	There are various streams throughout the project area. Water quality is unknown.

<b>EASEMENTS AND RESERVATIONS</b>	
Title	General Purpose Grant, under the Act of July 7, 1958, 72 Stat. 339 as amended, fee title under Patent No. 50-2008-0387 dated July 11, 2008, subject to standard federal reservations as well as a reindeer grazing permit issued to Thomas L. Gray on March 21, 2008 by the Bureau of Land Management under the terms of Part IV(A)(1) of the Memorandum of Understanding dated October 9, 2002.
Allowed Uses	Remote Recreational Cabin Sites are for recreational use only. No commercial use or permanent residence is allowed while under lease. Once the parcel is under purchase contract or conveyed into private ownership, these restrictions no longer apply.
Municipal Authority	The staking area is within the Unorganized Borough and is not zoned.
Section Line Easements	All parcels staked on lands owned by the State of Alaska that contain land within 50 feet of a surveyed or protracted (unsurveyed) section line, or that are bisected by such section line(s), are subject to a 50-foot wide easement on each side of the section line, which is reserved to the State of Alaska for public highways under AS 19.10.010. Staking is not allowed across surveyed section lines or surveyed township lines.
Public Access and Utility Easements	Parcels may be subject to the following: A 60-foot public access easement along all existing unnamed trails. A 30-foot public access and utility easement along interior parcel boundary lines. A 50' continuous easement upland from the ordinary high water of public or navigable water bodies in accordance with AS 35.05.127; A 5' survey easement from the nearest practical point on the property boundary to control monuments within the parcel and an easement with a radius around the control monument, and as applicable, a 5' direct line-of-sight easement from the control station to an azimuth mark or other control monument.
Setbacks and Other Restrictions	A 200-foot staking setback from the edge of the Nome-Council Road. A 200-foot staking setback from ADL 411932 (DOT Easement) A 100-foot building setback the East Fork Solomon River, French Creek Trap Creek, Lime Creek, Horton Creek and any other public or navigable water bodies A minimum 70-radius reserve around the University of Alaska Fairbanks radio and meteorological station. A reserved area over and around material site ADL 418907, to be determined prior to staking. Multiple reserved areas to protect any ecologically sensitive, historic, or archeological sites within the project area.
Public and Navigable Waters	For title purposes, public and navigable waters are identified on the Staking Area Map.
Reserved Areas	Reserved areas may be imposed prior to offering, and will be depicted on the staking map, see Attachment A of the Preliminary Decision and Final Finding.

<b>EASEMENTS AND RESERVATIONS</b>	
Oil, Gas and Minerals	The state retains ownership of all oil, gas, coal, ore, minerals, fissionable materials, geothermal resources, and fossils that may be in or upon the land that sells (AS 38.05.125). The state reserves the right to enter onto the land to explore for and develop these mineral resources. The state may lease them to mineral developers or allow mining locations to be staked. However, Alaska law provides that the surface owner will be compensated for damages resulting from mineral exploration and development (AS 38.05.130).
Fire Management Option	The fire management option for the staking area is "Modified". Modified designation provides that fires occurring will be allowed to burn under the influence of natural forces within the predetermined areas while continuing protection of human life and site-specific values.
Waste Disposal	Wastewater treatment and disposal systems must meet the regulatory requirements of the Alaska Department of Environmental Conservation. Contact ADEC for information.
Wetlands	Cabin sites may contain wetlands and may require Army Corps of Engineers permits prior to placement of fill material. Contact ACOE for information.
Improvements	Prior to construction of any structure or waste disposal system, contact the municipal authority for any permits or for required setbacks from water bodies, lot lines, and easements.
Comments/Issues	None.



Photo from survey inspection



East Fork Pass RRCS, photo from survey inspection





Photo from survey inspection



East Fork Pass RRCS, photo from survey inspection





East Fork Pass RRCS, photo from survey inspection



East Fork Pass RRCS, photo from survey inspection



East Fork Pass RRCS, photo from survey inspection



East Fork Pass RRCS, photo from survey inspection



## ANAYLSIS AND CONCLUSIONS

### **Highest and Best Use**

Analysis of highest and best use of the subject property is necessary to accurately estimate the value of the land. Highest and best use analysis ensures that the value estimate is derived with the use in mind that maximizes the utility for a given property. The appropriate highest and best use for a given property is determined by the conditions of the market. Highest and best use can be defined as<sup>6</sup>:

“The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.”

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

### **Legally Permissible**

The East Fork Pass II RRCS staking area is not subject to any known zoning requirements that would be restrictive to potential development. Development of well and septic systems must comply with the requirements of the Department of Environmental Conservation. The hypothetical key parcel can be developed with almost any legal use.

### **Physically Possible**

The subject size and physical characteristics are adequate to support all reasonable and probable uses. Staked parcels will be five to twenty acres.

### **Financially Feasible**

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

### **Maximally Productive**

Maximally productive use is the use that produces the maximum return from the proceeds of a sale or lease.

### **Highest and Best Use of Land as Vacant**

Based on the foregoing analysis, the highest and best use of the Key Parcel as vacant would be for almost any legal use, primarily a private recreation cabin site.

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<sup>6</sup> The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, 2015, p.109.

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).