

**APPRAISAL REPORT
REAL ESTATE APPRAISAL**

Of
Skylark II Sub Lots 5A Blk 221, Lot 1 Blk A, Lot 2Blk A, Lot 3 Blk A Lot 5, Blk A & Lot 6 Blk
A



Skylark II Subdivision, Petersburg
AK, 99833

As of
October 25, 2024

Prepared For
Ms. Debra Thompson
Petersburg Borough
12 South Nordic
Petersburg, AK, 99833

Prepared by
RAMSEY APPRAISAL RESOURCE
Roger Ramsey, AK-APRG570

File Name:
24-32

RAMSEY APPRAISAL RESOURCE

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November 6, 2024

Ms. Debra Thompson
Petersburg Borough
12 South Nordic
Petersburg, AK 99833

Re: Appraisal Report, Real Estate Appraisal
Skylark II Sub Lots 5A Blk 221, Lot 1 Blk A, Lot 2Blk A, Lot 3 Blk A Lot 5,
Blk A & Lot 6 Blk A
Skylark II Subdivision, Petersburg,
AK, 99833

File Name: 24-32

Dear Ms. Thompson:

At your request, I have prepared an appraisal for the above referenced property, which may be briefly described as follows:

The subject of this appraisal is 6 individual vacant lots, that currently do not have developed access or utilities.

Please reference page 10 of this report for important information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis and valuation methodology.

I certify that I have no present or contemplated future interest in the property beyond this estimate of value. The appraiser has not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.

Your attention is directed to the Limiting Conditions and Assumptions section of this report (page 8). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, I note the following:

Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal.

Extraordinary Assumptions:

- There are no Extraordinary Assumptions for this appraisal.
-

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumptions and Hypothetical Conditions (if any), I have made the following value conclusion(s):

Current As Is Market Value:

The “As Is” market value of the Fee Simple estate of the property, as of October 25, 2024, is

Subject Lot	Legal	Market value
Site 1	Lot 5A Blk 221	\$15,000
Site 2	Lot 1, Blk A	\$15,000
Site 3	Lot 2 Blk A	\$13,000
Site 4	Lot 3 Blk A	\$14,500
Site 5	Lot 5, Blk A	\$13,000
Site 6	Lot 6, Blk A	\$14,000

The market exposure time preceding October 25, 2024 would have been 6 months and the estimated marketing period as of October 25, 2024 is 6 months.

Respectfully submitted,
Ramsey Appraisal Resource



Roger Ramsey
AK-APRG570

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Summary of Important Facts and Conclusions

GENERAL

Subject: Skylark II Sub Lots 5A Blk 221, Lot 1 Blk A, Lot 2Blk A, Lot 3 Blk A Lot 5, Blk A & Lot 6 Blk A
 Skylark II Subdivision, Petersburg,
 AK, 99833

The subject of this appraisal is 6 individual vacant lots, that currently do not have developed access or utilities.

Owner: Petersburg Borough

Legal Description: Lot 5A, Block 221, Plat 90-14

Date of Report: November 6, 2024

Intended Use: The intended use is for to facilitate a negotiated sale at market value..

Intended User(s): The client and prospective buyers.

Assessment:

Real Estate Assessment and Taxes					
	Land	Improvements	Total Assessment	Tax Rate	Taxes
-752	\$54,200	\$0	\$54,200	\$10.00	\$542
-760	\$49,200	\$0	\$49,200	\$10.00	\$492
-764	\$37,500	\$0	\$37,500	\$10.00	\$375
-766	\$51,700	\$0	\$51,700	\$10.00	\$517
-245	\$34,700	\$0	\$34,700	\$10.00	\$347
-247	\$37,400	\$0	\$37,400	\$10.00	\$374
	\$264,700	\$0	\$264,700		\$2,647

Sale History: The subject has not sold in the last three years, according to public records.

Current Listing/Contract(s): The subject is not currently listed for sale, or under contract.

Land:

Land Summary				
	Gross Land Area (Acres)	Gross Land Area (Sq Ft)	Topography	Shape
01-010-752	0.49	21,526	Level	Roughly rectangular
01-010-760	0.45	19,530	Level	he site is irregularly shaped
01-010-764	0.34	14,880	Level	Roughly rectangular
01-010-766	0.47	20,523	Level	Triangle
01-010-245	0.34	14,850	Level	Roughly rectangular
01-010-247	0.34	14,850	Level	Roughly rectangular
Totals	2.44	106,159		

Zoning: SFR

Highest and Best Use of the Site: Speculation for future development into single or duplex family residence.

Type of Value: Market Value

Market value means the most probable price which a property should bring in a competitive and open market under all condition’s requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are typically motivated;
- (2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
- (3) A reasonable time is allowed for exposure in the open market;
- (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. [\[1\]](#)

[\[1\]](#) Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42

Reconciled Value(s): As Is

Value Conclusion(s)
Effective Date(s) October 25,
2024

Property Rights Fee Simple

Subject Lot	Legal	Market value
Site 1	Lot 5A Blk 221	\$15,000
Site 2	Lot 1, Blk A	\$15,000
Site 3	Lot 2 Blk A	\$13,000
Site 4	Lot 3 Blk A	\$14,500
Site 5	Lot 5, Blk A	\$13,000
Site 6	Lot 6, Blk A	\$14,000

Limiting Conditions and Assumptions

Acceptance of and/or use of this report constitutes acceptance of the following limiting conditions and assumptions; these can only be modified by written documents executed by both parties.

This appraisal is to be used only for the purpose stated herein. While distribution of this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed; this report is intended to be used in whole and not in part.

No part of this appraisal, its value estimates or the identity of the firm or the appraiser(s) may be communicated to the public through advertising, public relations, media sales, or other media.

All files, work papers and documents developed in connection with this assignment are the property of Ramsey Appraisal Resource . Information, estimates, and opinions are verified where possible, but cannot be guaranteed. Plans provided are intended to assist the client in visualizing the property; no other use of these plans is intended or permitted.

No hidden or unapparent conditions of the property, subsoil or structure, which would make the property more or less valuable, were discovered by the appraiser(s) or made known to the appraiser(s). No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there is no existence of hazardous materials or conditions, in any form, on or near the subject property.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of the appraiser nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, nor for any expertise or knowledge required to discover them.

Unless stated herein, the property is assumed to be outside of areas where flood hazard insurance is mandatory. Maps used by public and private agencies to determine these areas are limited with respect to accuracy. Due diligence has been exercised in interpreting these maps, but no responsibility is assumed for misinterpretation.

Good title, free of liens, encumbrances and special assessments is assumed. No responsibility is assumed for matters of a legal nature.

Necessary licenses, permits, consents, legislative or administrative authority from any local, state or Federal government or private entity are assumed to be in place or reasonably obtainable.

It is assumed there are no zoning violations, encroachments, easements or other restrictions which would affect the subject property, unless otherwise stated.

The appraiser(s) are not required to give testimony in Court in connection with this appraisal. If the appraisers are subpoenaed pursuant to a court order, the client agrees to pay the appraiser(s) Ramsey Appraisal Resource 's regular per diem rate plus expenses.

Appraisals are based on the data available at the time the assignment is completed. Amendments/modifications to appraisals based on new information made available after the appraisal was completed will be made, as soon as reasonably possible, for an additional fee.

Americans with Disabilities Act (ADA) of 1990

A civil rights act passed by Congress guaranteeing individuals with disabilities equal opportunity in public accommodations, employment, transportation, government services, and telecommunications. Statutory deadlines become effective on various dates between 1990 and 1997. Ramsey Appraisal Resource has not made a determination regarding the subject's ADA compliance or non-compliance. **Non-compliance could have a negative impact on value, however this has not been considered or analyzed in this appraisal.**

Scope of Work

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser’s responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). Therefore, the appraiser must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

This appraisal is prepared for Ms. Debra Thompson, Client Petersburg Borough. The problem to be solved is to estimate the current 'As Is' market value for asset management purposes and potential negotiated sale. The intended use is for to facilitate a negotiated sale at market value.. This appraisal is intended for the use of client and prospective buyers.

SCOPE OF WORK	
Report Type:	This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a summary or description of the appraisal process, subject and market data and valuation analyses.
Property Identification:	The subject has been identified by the legal description and the assessors' parcel number.
Inspection:	The appraiser inspected these lots on October 25th, 2024. It was a clear calm day. The appraiser walked through the lots and took pictures from the ground and with a drone,
Market Area and Analysis of Market Conditions:	A complete analysis of market conditions has been made. The appraiser maintains and has access to comprehensive databases for this market area and has reviewed the market for sales and listings relevant to this analysis.
Highest and Best Use Analysis:	A complete as vacant highest and best use analysis for the subject has been made. Physically possible, legally permissible and financially feasible uses were considered, and the maximally productive use was

Type of Value:	concluded.
<u>Valuation Analyses</u>	Market Value
Cost Approach:	A cost approach was not applied as The subject is raw unimproved land and this approach does not apply
Sales Comparison Approach:	A sales approach was applied as there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.
Income Approach:	An income approach was not applied as the subject is not an income producing property and this approach does not reflect market behavior for this property type.
Hypothetical Conditions:	<ul style="list-style-type: none"> • There are no hypothetical conditions for this appraisal.
Extraordinary Assumptions:	<ul style="list-style-type: none"> • There are no Extraordinary Assumptions for this appraisal. • -- • There are no Extraordinary Assumptions for this appraisal.

Comments

In the process of developing an opinion of value, I looked for sales of vacant land proximate to the subject. In particular I looked for sales of lots which did not have developed access. I was able to identify two separate proximate transactions where vacant lots with out developed access were purchased. I contacted the buyers in these transactions to get sales info about these transactions. In addition to these proximate sales with undeveloped access, I looked for sales of lots in the Petersburg larger market, to get further understanding of values. While I have numerous examples of this in my database, I included two of the more recent sales in the Frederick Point North Subdivision.

I reached out to people (Ronn Buschmann and Rick Braun), who have completed the subdivision of numerous lots in the Petersburg market, for their opinions about financial feasibility of the subject lots and details as to how the market reacts to forested lots VS muskeg lots. We spoke of current demand and the outlook for the Petersburg market. I also questioned them about their opinion of current lot values.

I spoke with both of the local realtors to get both sales data.

I had Anna Caulum, of the Petersburg finance department send me all the most recent sales from 2024. I added these sales to my GIS map, which I have been making since

around 2003. With this map I can identify the sales over a arial photo and target the most appropriate sales to investigate.

I spoke with Bosjun Ried to get information about road and utilities development. He indicated that for the subject location rough numbers for development cost per lineal foot of road was \$750 to \$800 for minor subdivision and \$900 to \$950 for Major. I then questioned him about costs for the Karluk subdivision he is currently developing and the numbers he gave me which I must retain as confidential, roughly reflect his rough cost supplied early.

Market Area Analysis

To determine the current economic condition of Petersburg, the appraiser spoke with active market participants. I spoke with both active realtors to get their perspective. They both indicated the market for residential real estate is maintaining, with no significant change in the last few years, though there appears to be more interest from out of town buyers. Cost to construct has elevated values for completed homes but raw land values have not seen much movement.

I spoke with Liz Cabrera, who oversees Petersburg's community and economic development. Some of the things she indicated were that the fish processing is in a transitional period with Trident selling to EC Phillips and Sons. EC Phillips who closed on the Trident property in April of 2024, is already up and running and expanded what they process to more variety than Trident. Making for somewhat of a more positive outlook.

The medical center being built is in its first phase and the first phase will cost \$20 million and is being paid for with grant money of which there is currently \$28 million per Liz Cabrera.

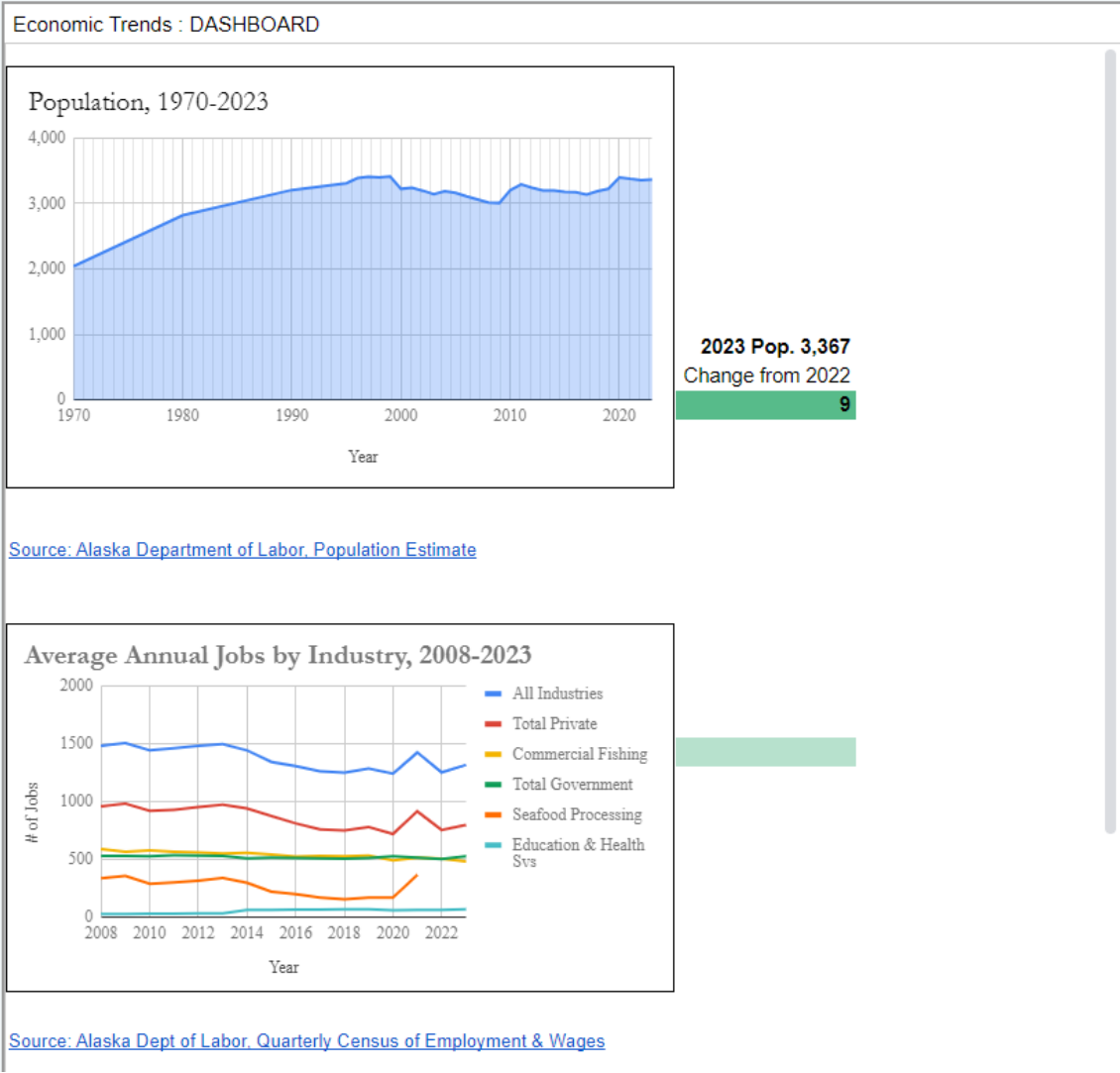
It sounds like Hammer and Wikon are in the process of expanding their warehouse area which is another bigger development.

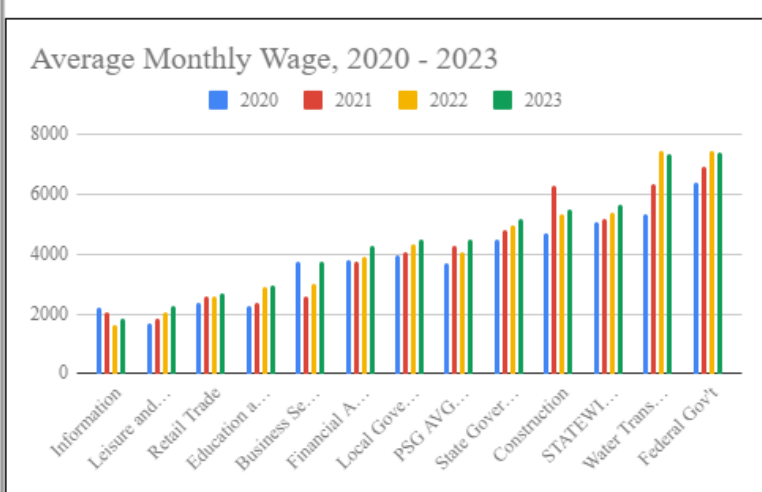
Liz says there are new people moving to the area bringing new perspective that the mostly conservative fishing Norwegian population doesn't possess. This could create demand for things that Petersburg has not had in the past.

Rumors are that the purchaser of the Ocean Beauty plant may use it for a dock for the cruise ships coming to town. This could potentially increase demand for this location and the ripple effects would be more infrastructure for tours and an increase in dollars from tourism.

I spoke with Glorianne Wollen, who is Petersburg's harbor master. She mentioned the Scow Bay Haul out as a project that is eminent. So far according to Liz they have about half the funding for phase 1 which will cost about \$9.5 million.

Following is information is curated by Petersburg Economic Development Council

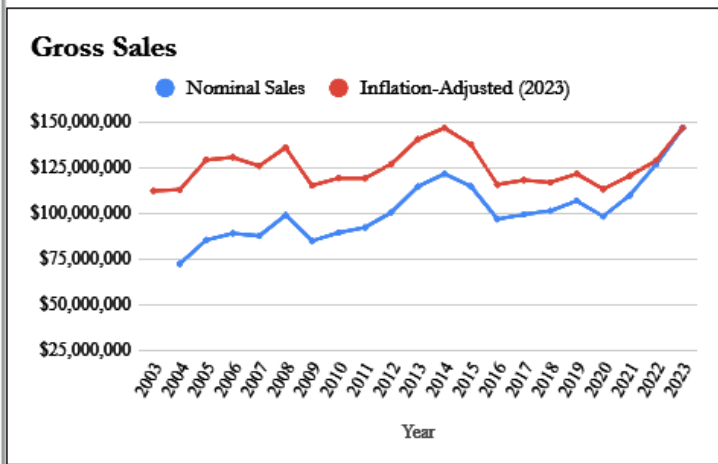
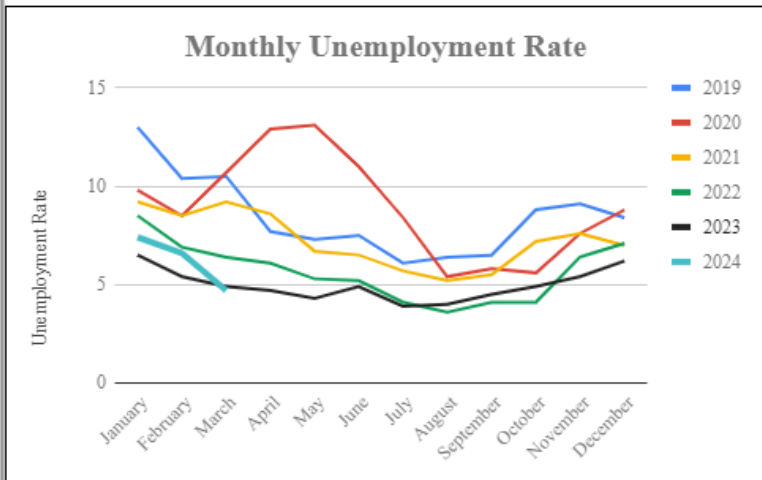




Change from 2022
9.74%
 Increased Wage

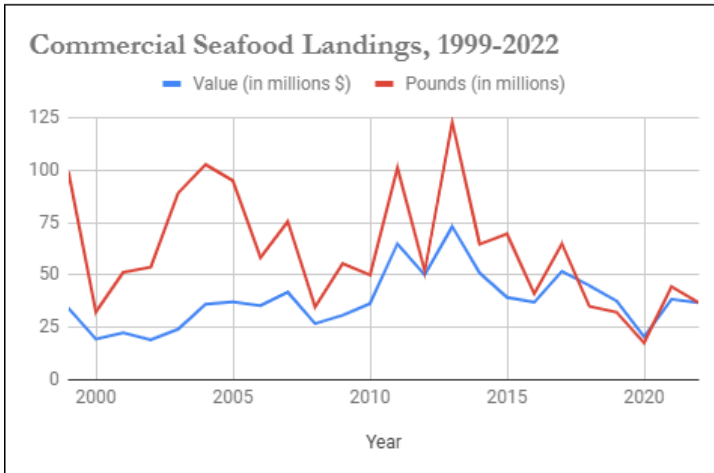
Statewide Average Wage
\$5,677
 Petersburg Average Wage
\$4,485

Source: Alaska Dept of Labor. Quarterly Census of Employment & Wages



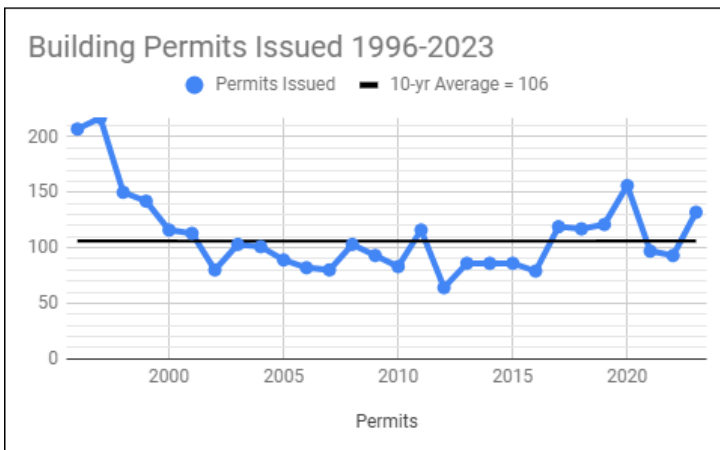
Change from 2022
13.90%
 Increase in Sales
 (Inflation-adjusted)

Source: Petersburg Borough Finance Department

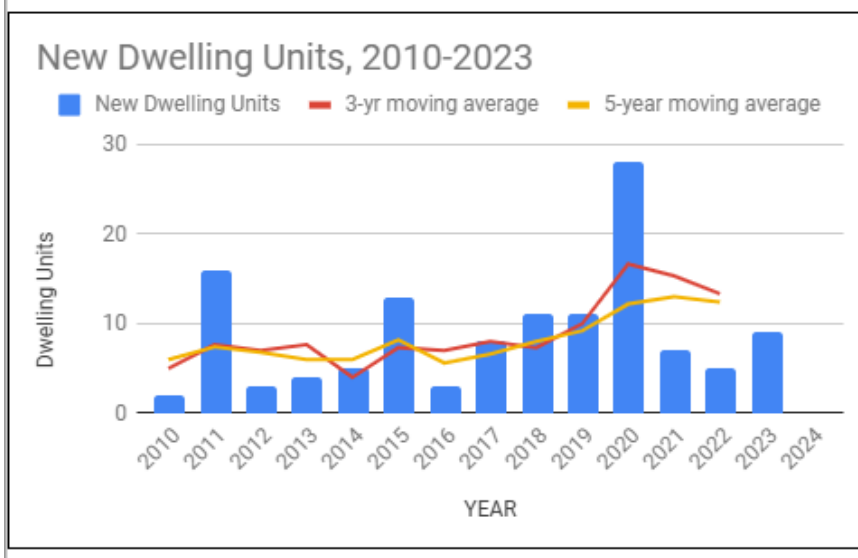


Compared to 2021
 -4.18%
 Decrease in Value
 -17.38%
 Decrease in Pounds

Source: NMFS Commercial Landings by Port



Source: Petersburg Borough Community Development Dept.

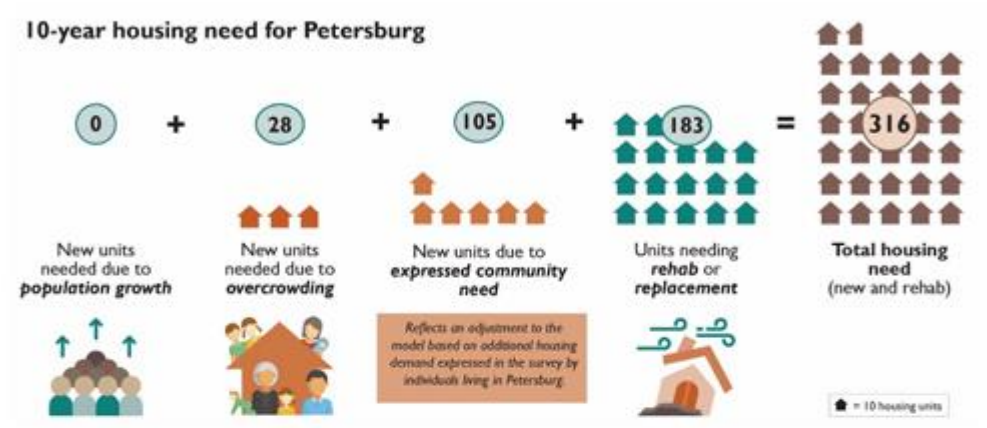


Compared to 2022
 Increase by 4 units

The following excerpt is from a September 30, 2023, Petersburg Borough Housing Needs Report.

Housing Needs

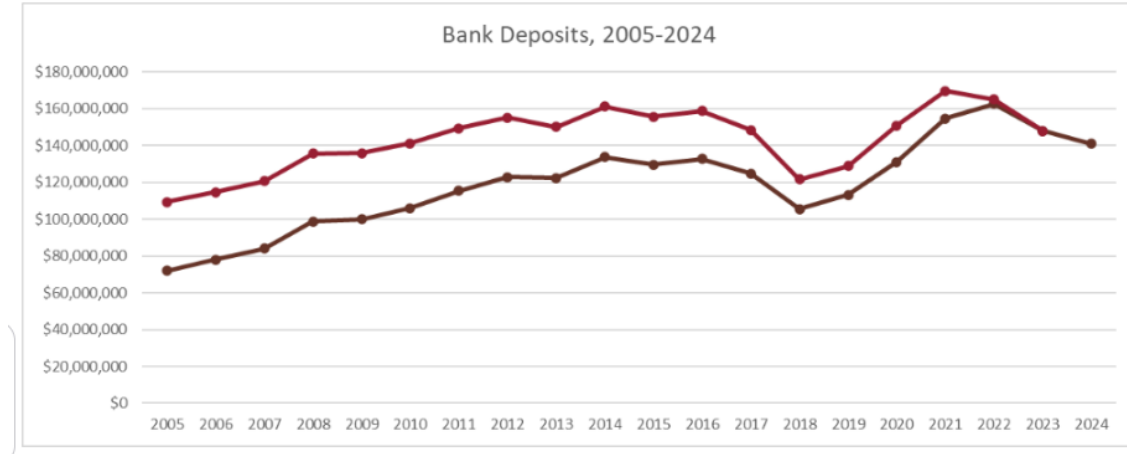
Petersburg needs an estimated 316 units over the next 10 years, including 133 new units and 183 rehab/renovation units, as indicated in the graphic below.



The need for housing exists across the income spectrum. The following table breaks down the total housing need by income category, which is useful for understanding housing types, affordability, and how to meet the estimated need. The table shows a need for 61 new units for lower income households, 25 new units for middle income households, and 47 new units for higher income households over the next 10 years.

Income Category	Percent of AMI	Income Range	Affordable Monthly Housing Payment (up to 30% of income)	Housing Need (New and Rehab) Next 10 Years	New Units Needed, Next 10 Years
Lower Income	<80% AMI	\$0-68,000	\$0-1,700	134 units needed	61 new units
Middle Income	80-120% AMI	\$68,000-102,000	\$1,700-2,550	54 units needed	25 new units
Higher Income	>120% AMI	\$102,000+	\$2,550+	128 units needed	47 new units

The above table shows the gross sales of all things sold from Petersburg. 2022 Shows a significant increase



The bank deposit numbers above were given to the appraiser by Liz Cabrera

Interviews with the local realtors indicated significant demand for homes over the last few years when interest rates were low much of the stock got sucked up. Now with demand staying strong and inventory down, prices have held, and some increase has been noted.

CONCLUSION

After studying the market indicators included above and others retained in the appraiser’s file, it is the appraiser’s opinion that market demand for residential will remain strong going forward. Trident Seafood closure sparks some uncertainty, but now with it being purchased by a local company and operating, some uncertainty has been displaced.

In general the economic condition in Petersburg is stable overall. Ocean beauty’s plant which will more than likely be turned into a dock for cruise boats, increasing income to the town from tourism.

Increasing interest in Petersburg from the out-of-town market will continue adding to demand for single family lots.

Based on the foregoing, the outlook is turning more positive, and it is the appraiser’s opinion that the Petersburg economy will remain stable going forward.

Location Map



Property Description

The subject of this appraisal is 6 individual vacant lots, that currently do not have developed access or utilities.

Land Summary				
	Gross Land Area (Acres)	Gross Land Area (Sq Ft)	Topography	Shape
01-010-752	0.49	21,526	Level	Roughly rectangular
01-010-760	0.45	19,530	Level	he site is irregularly shaped
01-010-764	0.34	14,880	Level	Roughly rectangular
01-010-766	0.47	20,523	Level	Triangle
01-010-245	0.34	14,850	Level	Roughly rectangular
01-010-247	0.34	14,850	Level	Roughly rectangular
Totals	2.44	106,159		

SITE 1, (LOT 5A, BLK 221)

Location:	Odin Street
Current Use of the Property:	Vacant
Site Size:	Total: 0.49 acres; 21,526 square feet
Shape:	Rectangular
Frontage/Access:	The subject property has 140 feet of undeveloped access with frontage as follows: <ul style="list-style-type: none"> • Odin Street: 130 feet The site has an average depth of 165 feet. It is not a corner lot.
Visibility:	Average
Topography:	Level to gently sloping
Soil Conditions:	Muskeg and treed overburden
Utilities:	All the public utilities are developed to the intersection of Odin and Baker Street, about 140 feet away.
Site Improvements:	<ul style="list-style-type: none"> • None

Flood Zone: The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject is located in FEMA flood zone None, which is not classified as a flood hazard area.

FEMA Map Number: 020074 0001 B
 FEMA Map Date: June 1, 1982

Wetlands/Watershed: The subject has wetlands known as muskeg, through out a good portion of its area

Environmental Issues: There are no known adverse environmental conditions on the subject site. Please reference Limiting Conditions and Assumptions.

Encumbrance / Easements: There are no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.

Site Comments: This site gently slopes towards the lot on the water side of it. This lot below it is developed and the subject could enjoy decent views of the water, over the buildings developed below.

SITE 2 (LOT 1, BLK A)

Location: Odin Street

Current Use of the Property: Vacant

Site Size: Total: 0.45 acres; 19,530 square feet

Shape: Irregular

Frontage/Access: The subject property has undeveloped access with frontage as follows:
 • Odin Street: 201 feet
 The site has an average depth of 140 feet. It is not a corner lot.

Visibility: Average

Topography: Gently sloping

Soil Conditions: treed overburden

Utilities: Electricity: Public utilities are at the developed at the

intersection of Odin and Baker Street, approximately 380 feet to the subject's nearest corner

Site Improvements: • None

Flood Zone: The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject is located in FEMA flood zone None, which is not classified as a flood hazard area.

FEMA Map Number: 020074 0001 B

FEMA Map Date: June 2, 1982

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Wetlands/Watershed: A small portion of this site is muskeg and the rest

Environmental Issues: There are no known adverse environmental conditions on the subject site. Please reference Limiting Conditions and Assumptions.

Encumbrance / Easements: There are no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.

Site Comments: This is and irregularly shaped lot. It has enough frontage and area to be divided into two legal lots.

SITE 3 (LOT 2, BLK A)

Location:	Skylark
Current Use of the Property:	Vacant
Site Size:	Total: 0.34 acres; 14,880 square feet
Shape:	Rectangular
Frontage/Access:	The subject property has undeveloped access with frontage as follows: <ul style="list-style-type: none"> • SkyLark: 143 feet • Odin: 104 feet The site has an average depth of 104 feet. It is a corner lot.
Visibility:	Average

Topography: level

Soil Conditions: Muskeg

Utilities: Electricity: Public utilities are at the developed at the intersection of Odin and Baker Street, approximately 280 feet to the subject's nearest corner

Site Improvements: • None

Flood Zone: The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject is located in FEMA flood zone None, which is not classified as a flood hazard area.

FEMA Map Number: 020074 0001 B
 FEMA Map Date: June 3, 1982

Wetlands/Watershed: The subject has wetlands known as muskeg, through out a good portion of its area

Environmental Issues: There are no known adverse environmental conditions on the subject site. Please reference Limiting Conditions and Assumptions.

Encumbrance / Easements: There are no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.

Site Comments: This site is mostly muskeg. It does not have enough frontage or area for further subdivision

SITE 4

Location: Skylark

Current Use of the Property: Vacant

Site Size: Total: 0.47 acres; 20,523 square feet

Shape: Triangular

Frontage/Access:	The subject property has undeveloped access with frontage as follows: <ul style="list-style-type: none"> • SkyLark: 202 feet The site has an average depth of 143 feet. It is not a corner lot.
Visibility:	Average
Topography:	level
Soil Conditions:	Muskeg and treed overburden
Utilities:	Electricity: Public utilities are at the developed at the intersection of Odin and Baker Street, approximately 420 feet to the subject's nearest corner
Site Improvements:	<ul style="list-style-type: none"> • None
Flood Zone:	The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject is located in FEMA flood zone None, which is not classified as a flood hazard area. FEMA Map Number: 020074 0001 B FEMA Map Date: June 4, 1982
Wetlands/Watershed:	The subject has wetlands known as muskeg, through out a good portion of its area
Environmental Issues:	There are no known adverse environmental conditions on the subject site. Please reference Limiting Conditions and Assumptions.
Encumbrance / Easements:	There are no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.
Site Comments:	This triangle shaped lot has enough frontage and area to be divided into two legal lots. These lots will be irregular in shape and a bit mor of a challenge to develop

SITE 5, (LOT 5, BLK A)

Location: Skylark Street

Current Use of the Property:	Vacant
Site Size:	Total: 0.34 acres; 14,850 square feet
Shape:	Rectangular
Frontage/Access:	The subject property has undeveloped access with frontage as follows: <ul style="list-style-type: none"> • SkyLark: 99 feet The site has an average depth of 150 feet. It is not a corner lot.
Visibility:	average
Topography:	Level
Soil Conditions:	Muskeg
Utilities:	Electricity: Public utilities are at the developed at the intersection of Odin and Baker Street, approximately 350 feet to the subjects nearest corner
Site Improvements:	<ul style="list-style-type: none"> • None
Flood Zone:	The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject is located in FEMA flood zone None, which is not classified as a flood hazard area. FEMA Map Number: 020074 0001 B FEMA Map Date: June 5, 1982
Wetlands/Watershed:	The subject has wetlands known as muskeg, through out a good portion of its area
Environmental Issues:	There are no known adverse environmental conditions on the subject site. Please reference Limiting Conditions and Assumptions.
Encumbrance / Easements:	There are no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.
Site Comments:	The site is mostly muskeg and does not have potential for further subdivision.

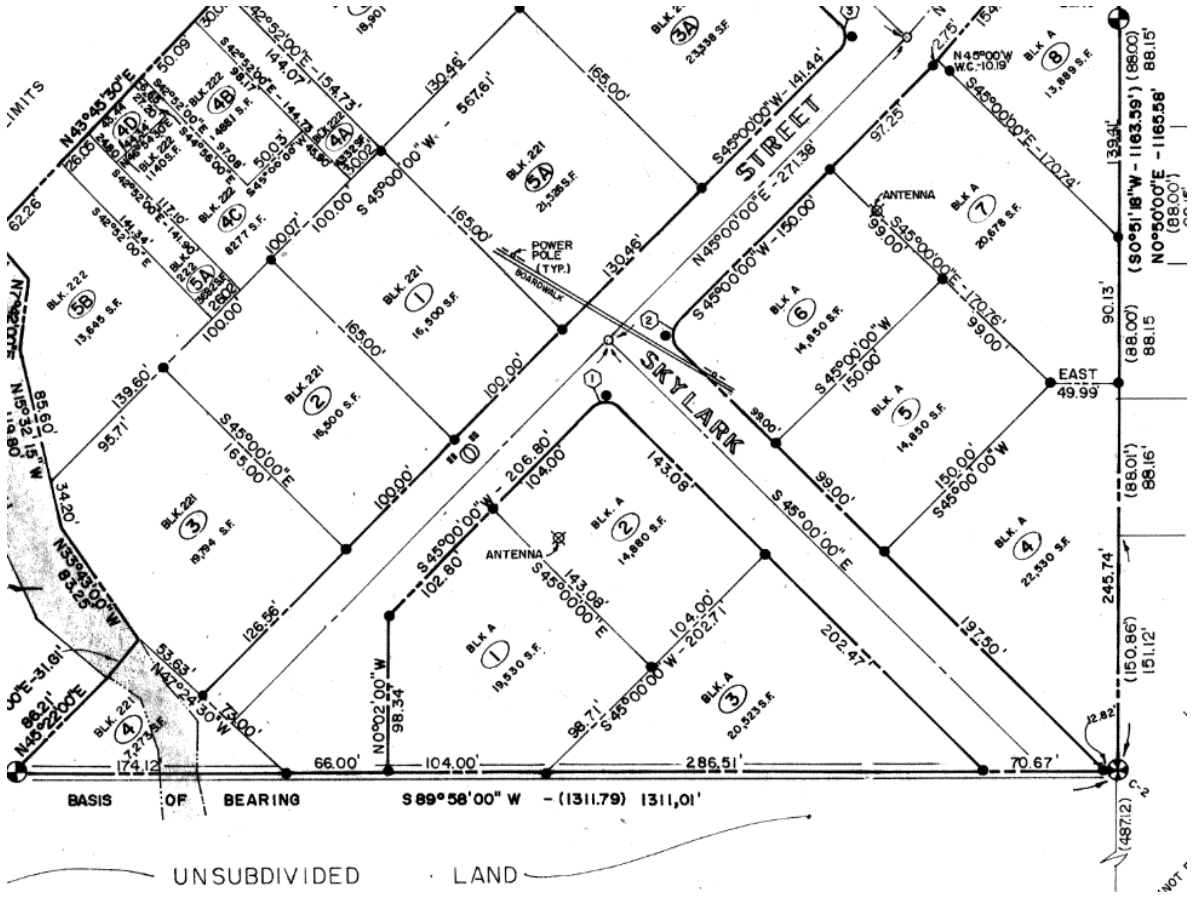
SITE 6 (LOT 6, BLK A)

Location:	Odin Street
Current Use of the Property:	Vacant
Site Size:	Total: 0.34 acres; 14,850 square feet
Shape:	Rectangular
Frontage/Access:	<p>The subject property has undeveloped access with frontage as follows:</p> <ul style="list-style-type: none"> • Odin Street: 150 feet • Skylark: -- feet <p>The site has an average depth of 250 feet. It is a corner lot.</p>
Visibility:	Average
Topography:	Level
Soil Conditions:	Muskeg
Utilities:	Electricity: Public utilities are at the developed at the intersection of Odin and Baker Street, approximately 97 feet to the subject's nearest corner.
Site Improvements:	<ul style="list-style-type: none"> • None
Flood Zone:	<p>The subject is located in an area mapped by the Federal Emergency Management Agency (FEMA). The subject is located in FEMA flood zone None, which is not classified as a flood hazard area.</p> <p>FEMA Map Number: 020074 0001 B FEMA Map Date: June 6, 1982</p>
Wetlands/Watershed:	The subject has wetlands known as muskeg, through out a good portion of its area

Environmental Issues: There are no known adverse environmental conditions on the subject site. Please reference Limiting Conditions and Assumptions.

Encumbrance / Easements: There are no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.

Site Comments: This lot is not large enough to subdivide.



Above is an excerpt from Plat 81-19, showing the subject lots



Above is a screen shot of the boroughs parcelization over and arial photo. The subject lots are lit up and 2 foot topo lines are indicated in green. As can be seen the lots are fairly level, with just enough slope to provide drainage.

Americans with Disabilities Act

Please reference the Limiting Conditions and Assumptions section of this report on page 9.

Hazardous Substances

Please reference the Limiting Conditions and Assumptions section of this report on page 9.

Subject Photographs



Above is looking at the undeveloped right of way from the intersection of Odin and Baker Street.



Above is a photo taken by drone about 30 feet off the ground from the right of way in front of and looking at Lot 5A, Block 221.



Above in the foreground is Lot 2, Blk A and about where the trees begin is the eastern edge of Lot 1, Blk A



Above is a view of the area of lot 3, Block A, as view from the north. Half this lot is covered with trees



Above in the foreground is lot six and beyond that is lot 5 of Block A.

Assessment and Taxes

Taxing Authority Petersburg Borough

Assessment Year 2024

Real Estate Assessment and Taxes					
	Land	Improvements	Total Assessment	Tax Rate	Taxes
-752	\$54,200	\$0	\$54,200	\$10.00	\$542
-760	\$49,200	\$0	\$49,200	\$10.00	\$492
-764	\$37,500	\$0	\$37,500	\$10.00	\$375
-766	\$51,700	\$0	\$51,700	\$10.00	\$517
-245	\$34,700	\$0	\$34,700	\$10.00	\$347
-247	\$37,400	\$0	\$37,400	\$10.00	\$374
	\$264,700	\$0	\$264,700		\$2,647

Comments

Assessments for the subject lots, are new for 2024 (the lots have never been assessed prior and this assessment was developed after inquiry by the current interested party) and reflect a value around \$109,700 per acre, except for lot 5 which is 101,787 per acre. They are roughly \$2.5 per SF. Most other lots without developed access in the area are assessed roughly around \$1.2 per SF. The subject lots are assessed over twice as high as other nearby lots without developed access. This is strange to me as my market data from sales does not support this high assessment of the subject properties.

Zoning

LAND USE CONTROLS

Zoning Code

SFR

Zoning Description

The purpose of the single-family residential district is to provide a sound and attractive residential neighborhood.

Set Back Distance

20

Side Yard Distance

10

Highest and Best Use

Highest and best use may be defined as the reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

1. **Legally Permissible:** What uses are permitted by zoning and other legal restrictions?
2. **Physically Possible:** To what use is the site physically adaptable?
3. **Financially Feasible:** Which possible and permissible use will produce any net return to the owner of the site?
4. **Maximally Productive:** Among the feasible uses which use will produce the highest net return, (i.e., the highest present worth)?

Highest and Best Use of the Site

The highest and best use of the site, as vacant, is for Speculation for future development into single or duplex family residence..

Generally lots around the subject are developed with single family homes. I did notice some duplexes in the neighborhood and the subject lots could also support those. some of the subject lots have the ability for further subdivision. Generally people would buy these lots speculating that someday roads would be developed to them. Or that lot values will rise to the point where it is financially feasible to develop roads and utilities to them. Until that time they will not be developed because it is currently not financially feasible.

Valuation Methodology

Three basic approaches may be used to arrive at an estimate of market value. They are:

1. The Cost Approach
2. The Income Approach
3. The Sales Comparison Approach

Cost Approach

The Cost Approach is summarized as follows:

$$\begin{array}{r} \text{Cost New} \\ - \text{Depreciation} \\ + \text{Land Value} \\ = \text{Value} \end{array}$$

Income Approach

The Income Approach converts the anticipated flow of future benefits (income) to a present value estimate through a capitalization and or a discounting process.

Sales Comparison Approach

The Sales Comparison Approach compares sales of similar properties with the subject property. Each comparable sale is adjusted for its inferior or superior characteristics. The values derived from the adjusted comparable sales form a range of value for the subject. By process of correlation and analysis, a final indicated value is derived.

Final Reconciliation

The appraisal process concludes with the Final Reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others.

Analyses Applied

A **cost analysis** was considered and was not developed because The subject is raw unimproved land and this approach does not apply

A **sales comparison analysis** was considered and was developed because there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.

An **income analysis** was considered and was not developed because the subject is not an income producing property and this approach does not reflect market behavior for this property type.

Sales Comparison Approach – Land Valuation

The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed and the data reconciled for a final indication of value via the Sales Comparison Approach.

Land Comparables

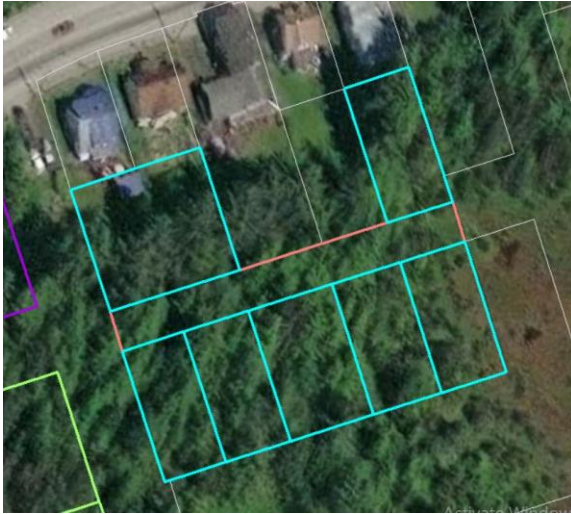
I have researched six comparables for this analysis; these are documented on the following pages followed by a location map and analysis grid. All sales have been researched through numerous sources, inspected and verified by a party to the transaction. The first two sales are of proximate vacant lots with undeveloped access. The second two are vacant lots with developed access (I included these to show what people are paying for lots with developed access, so I could figure out if developing access and utilities is financially feasible). Comps 5 and 6 are also vacant lots with undeveloped access. They are much larger sites, but offset by being further from town. As can be seen with these two, purchased for future development, they seem to present similar values.

Land Comparable 1



Transaction			
ID	3751	Date	
Address	604 surf St	Price	\$12,500
City	Petersburg	Price per Acre	\$61,875.06
State	AK	Financing	Cash
Tax ID	01-010-174	Property Rights	Fee Simple
Grantor	Search: JIMMIE R AND	Legal Description	Lot: 8
Grantee	HALEY JUSTIN	Verification	Justin Haley
Legal Description	Lot: 8		
Site			
Acres	0.20	Topography	Level
Land SF	8,800	Zoning	--
Road Frontage	88	Flood Zone	no
Shape	--	Encumbrance or	None
Utilities	175 feet away	Environmental Issues	none known
Comments			
<p>This property was not on the market. The buyer owns the adjoining land and approached the seller, who offered to sell it to the buyer for the same price he sold the adjoining lot for in 2010.</p>			

Land Comparable 2



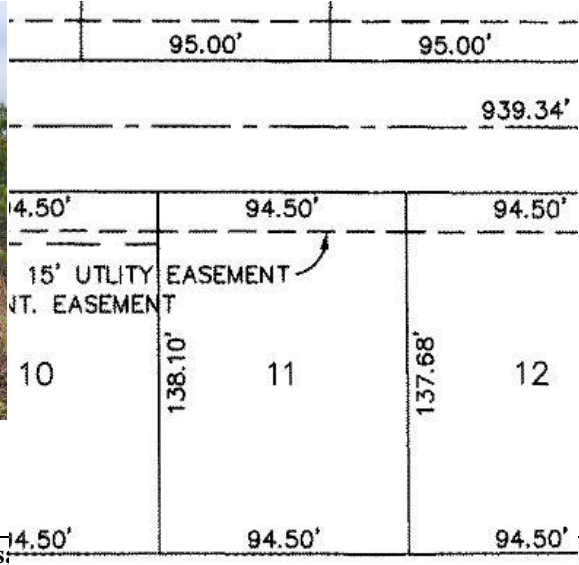
Transaction			
ID	3752	Date	1/8/2020
Address	Neptune ST	Price	\$50,000
City	Petersburg	Price per Acre	\$45,074.69
State	AK	Financing	cash to seller
Tax ID	--	Property Rights	Fee Simple
Grantor	KATASON GREG	Legal Description	Lots 4,7,8,9,10,11,12
Grantee	FLOYD JIM EDWARD	Verification	Buyer, Jim Floyd
Legal Description	Lots 4,7,8,9,10,11,12		

Site			
Acres	1.11	Topography	Mixed
Land SF	48,320	Zoning	SFR
Road Frontage	220	Flood Zone	no
Shape	Irregular	Encumbrance or	city waterline in
Utilities	Some Utilities Available	Environmental Issues	none known

Comments

The buyer of these lots also purchased a home with them. This comparable is an allocation for the vacant lots included. According to the buyer, he felt the home and its lot were worth around \$375K at the time of acquisition, indicating a value for the vacant lots at \$50K. the buyer indicated that the lots do not meet current code for size and would need reconfiguration and it appears around four legal single-family lots could be developed, indicating a cost per potential lot at \$12,500. Also, he noted that there is a significant drainage encumbering the property.

Land Comparable 3



ID	3753	Price	\$65,000
Address	1308 Howkan St	Price per Acre	\$217,296.83
City	Petersburg	Financing	Cash
State	AK	Property Rights	Fee Simple
Tax ID	01-005-732	Legal Description	Lot 11, Plat 98-20
Grantor	PAWUK ELIZABETH	Verification	Broker
Grantee	FIRST BAPTIST		
Legal Description	Lot 11, Plat 98-20		

Site			
Acres	0.30	Topography	Level
Land SF	13,030	Zoning	SFR
Road Frontage	94.5	Flood Zone	no
Shape	Roughly rectangular	Encumbrance or	Utility
Utilities	All Utilities Available	Environmental Issues	none known

Comments

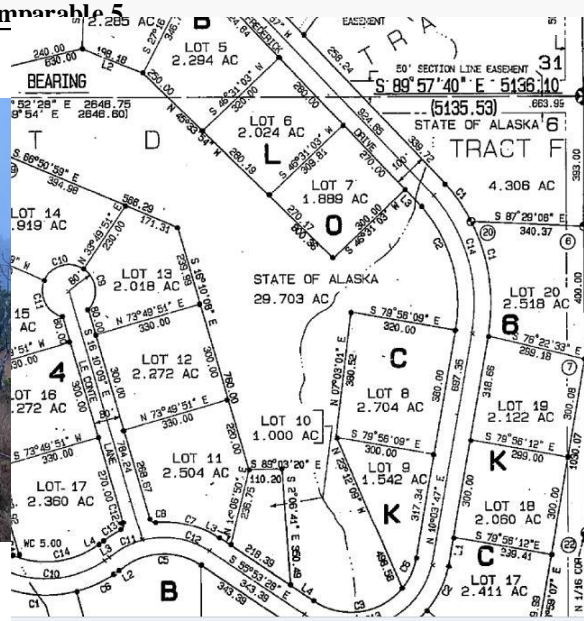
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Land Comparable 4



Transaction			
ID	3755	Date	7/13/2021
Address	501 Odin	Price	\$47,500
City	Petersburg	Price per Acre	\$235,125.24
State	AK	Financing	Cash
Tax ID	01-011-372	Property Rights	Fee Simple
Grantor	BUSCHMANN, RONN &	Legal Description	Lot: 10 Block: 283,
Grantee	WALSH, THOMAS	Verification	Buyer, Justin walsh
Legal Description	Lot: 10 Block: 283,		
Site			
Acres	0.20	Topography	Mixed
Land SF	8,800	Zoning	--
Road Frontage	188	Flood Zone	no
Shape	Roughly rectangular	Encumbrance or	None
Utilities	All Utilities Available	Environmental Issues	none known
Comments			
<p>This lot had a drainage running through it and development had to take this into account. According to the seller, who is quite active in the market, a lot without these drainage issues in this location would sell for \$60k to \$65K. The buyer indicated there were extra cost for engineering and development due to the drainage issues.</p>			

Land Comparable 5



Transaction

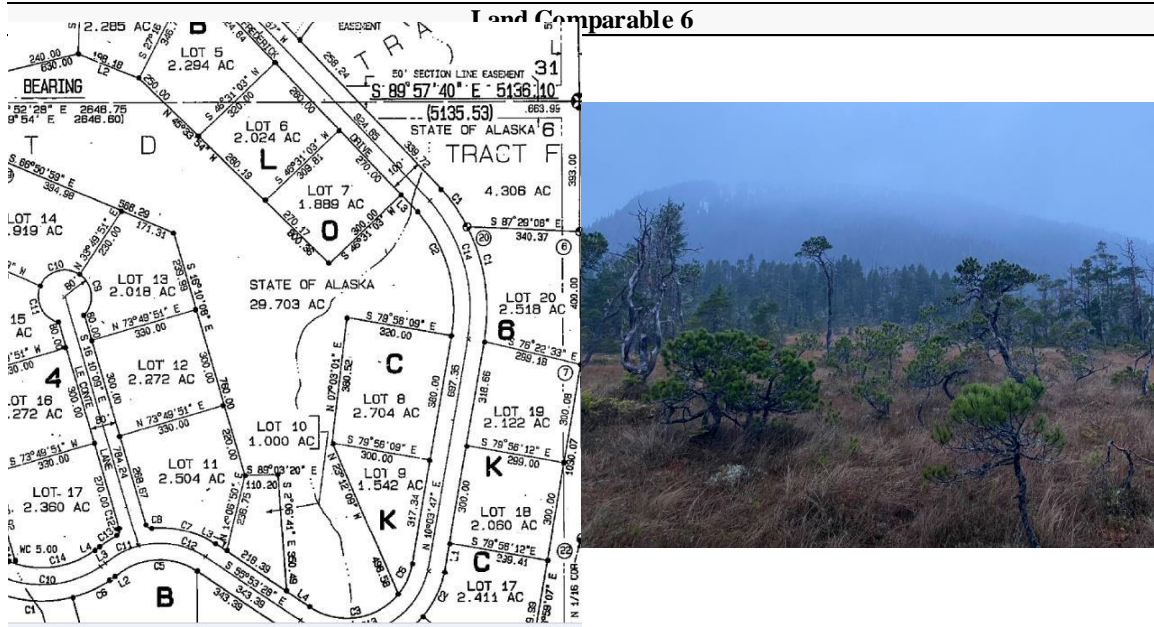
ID	3696	Date	6/22/2022
Address	104 LECONTE LANE	Price	\$13,000
City	Petersburg	Price per Acre	\$6,442.02
State	AK	Financing	Cash
Tax ID	1039240	Property Rights	Fee Simple
Grantor	JOHNSON ERIC J	Legal Description	--
Grantee	TERRY ZACHARY M	Verification	Broker
Legal Description	Lot 13, Bl 4		

Site

Acres	2.02	Topography	flat
Land SF	87,904	Zoning	Rural Residential
Road Frontage	270	Flood Zone	no
Shape	Irregular	Encumbrance or	none
Utilities	none	Environmental Issues	none known

Comments

Access to this site is undeveloped and requires 2700 feet of road to get there. There would be one fairly major stream crossing.

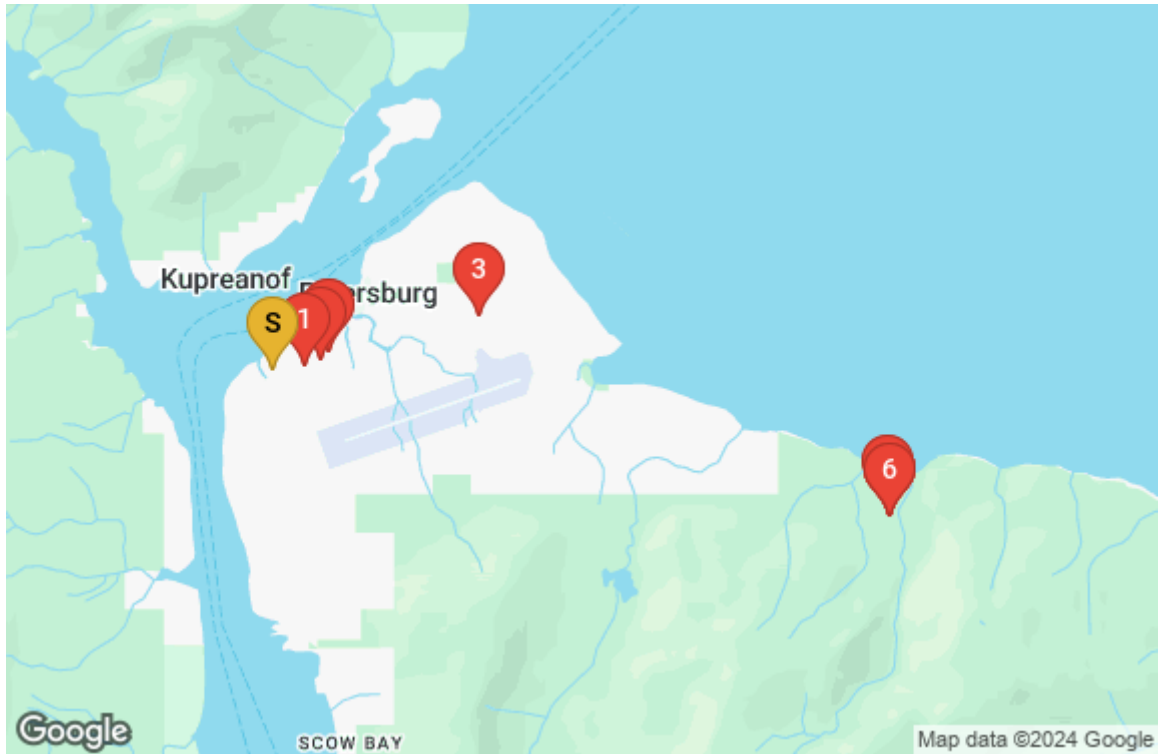


Transaction			
ID	3697	Date	6/22/2022
Address	102 leconte lane	Price	\$12,000
City	Petersburg	Price per Acre	\$5,281.69
State	AK	Financing	cash
Tax ID	1039250	Property Rights	Fee Simple
Grantor	TOZZO, MICHAEL	Legal Description	Lot 12, Block 4, Plat 84-
Grantee	WILLAIMS, BRANDON	Verification	Broker
Legal Description	Lot 12, Block 4, Plat 84-		

Site			
Acres	2.27	Topography	level
Land SF	98,968	Zoning	RR
Road Frontage	300	Flood Zone	no
Shape	rectangular	Encumbrance or	None
Utilities	none	Environmental Issues	none known

Comments
 Access to this site is undeveloped and requires 2700 feet of road to get there. There would be one fairly major stream crossing.

Comparables Map



Analysis Grid

The above sales have been analyzed and compared with the subject property. I have considered adjustments in the areas of:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

On the following page is a sales comparison grid displaying the subject property, the comparables and the adjustments applied.

Land Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6
Address	Skylark II Subdivision	604 surf St	Neptune ST	1308 Howkan St	501 Odin	104 LECONTE	102 leconte lane
City	Petersburg	Petersburg	Petersburg	Petersburg	Petersburg	Petersburg	Petersburg
State	AK	AK	AK	AK	AK	AK	AK
Date	1/21/2015	9/8/2020	1/8/2020	11/30/2023	7/13/2021	6/22/2022	6/22/2022
Price	--	\$12,500	\$50,000	\$65,000	\$47,500	\$13,000	\$12,000
No. of Units	0	1	4	1	1	1	1
Price per Unit	\$0.00	\$12,500.00	\$12,500.00	\$65,000.00	\$47,500.00	\$13,000.00	\$12,000.00
Transaction Adjustments							
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional	Cash	0.0%	cash to seller	0.0%	Cash	0.0%
Conditions of Sale	Cash	See Comments	0.0%	Normal/see comments	0.0%	Normal/see comments	0.0%
Adjusted Price per Unit		\$12,500.00	\$12,500.00	\$65,000.00	\$47,500.00	\$13,000.00	\$12,000.00
Market Trends Through	1/21/2015	0.0%	0.0%	0.0%	5.0%	0.0%	0.0%
Adjusted Price per Unit		\$12,500.00	\$12,500.00	\$65,000.00	\$49,875.00	\$13,000.00	\$12,000.00
Location							
% Adjustment		0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Acres	2.44	0.20	1.11	0.30	0.20	2.02	2.27
% Adjustment		0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Topography	Level	Level	Mixed	Level	Mixed	flat	0
% Adjustment		0%	0%	0%	20%	20%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$9,975.00	\$2,600.00	\$0.00
Access	0	undeveloped	undeveloped	Good	Average	undeveloped 2800	average, 2400
% Adjustment		0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	Public utilities are at	175 feet away	Some Utilities	All Utilities Available	All Utilities Available	none	none
% Adjustment		0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Zoning	SFR	SFR	SFR	SFR	SFR	RR	RR
% Adjustment		0%	0%	0%	0%	0%	0%
\$ Adjustment		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Adjusted Price per Unit		\$12,500.00	\$12,500.00	\$65,000.00	\$59,850.00	\$15,600.00	\$12,000.00
Net Adjustments		0.0%	0.0%	0.0%	20.0%	20.0%	0.0%
Gross Adjustments		0.0%	0.0%	0.0%	20.0%	20.0%	0.0%

Comparables 1 and 2 above are sales of proximate vacant lots with undeveloped access. Sale I is for and individual lot purchased by the adjoining property owner for view protection and future development. Comparable 2 is an allocation for vacant lots that were purchased as part of the acquisition of a single family residence. The allocation is based on my interview with the buyer. This additional area was purchased also for view protection and future development.

Comparables 3 and 4 were included to show what vacant lots with developed access and utilities to their property lime sell for. Comparable 3 is a flat site with typical development potential. Comparable 4, which was included as it is the most proximate recent sale of a vacant lot, had a significant drainage running through it which required extra engineering and costs for development. After adjusting for this aspect and a bit for market condition, it appears these sales indicate lots with access and utilities developed sell for around \$60K to \$65K. This number is supported further by Ronn Buschmann, who has built significant subdivisions in the area and is and has been very active in the Petersburg market. He said that currently SFR lots have a value around \$65K.

Comparables 4 and 5 are not in the subject neighborhood and are zoned RR. They are much bigger sites, but they were included to further back up the fact that people will buy vacant lots without developed access or utilities, to hold for future development and the amounts they will pay.

Analysis

None of the subject lots would be financially feasible to develop. The closest lot to the currently developed area of Odin St, Lot 6, Block A, requires development of approximately 97 feet of roadway and utilities and according to Bosjun Ried, at the bottom end of his cost scale, the cost for this would be \$750 per foot, indicating a cost of around \$72,750. With lot values at around \$65K, it's obvious this does not pencil, even if you were given the lot for free.

Therefore, we must look at the range values presented by comparable sales of lots which were purchased that currently are not financially feasible to develop. As can be seen, that value range is between \$12,500 and \$15,600, for the comparables selected. Following I will discuss each of the subject lots and determine where in this range they should land.

Site 1(Lot 5A, Block 221) With a base value for lots in the neighborhood lacking developed access and utilities being \$12,500, this lot is superior from this base as it has water views and is a larger than typical site. While it doesn't have enough frontage to subdivide into standard legal lots, its area provides more utility and potential privacy. Estimating that these two aspects give this lot a 20% boost above the base value of \$12,500, indicates a value of \$15,000.

Site 2(Lot 1 Block A) This lot is treed and according to Ronn Buschmann in his experience treed lots which represents superior soil, does not create more value. The cost to remove the trees offsets the value of superior soils. It is his experience that muskeg and treed lots have similar values. Lots with the potential for further subdivision into two lots bump the value around 20%. Based on this it is reasonable that Lot 1, which has potential for subdivision, would have a value at \$15,000.

Site 3(Lot 2 Block A) Site 3 is pretty much a standard SFR lot, though a bit larger than typical. A 5% adjustment for this aspect would be warranted for a value of \$13,125, which should reasonably be rounded to \$13,000.

Site 4(Lot 3 Block A) Site 4 has frontage and area which could allow for further subdivision. Its shape as a triangle makes potential subdivisions and development a bit more challenging and for this reason an adjustment below the typical 20% at 15% would be reasonable, indicating a value at \$14,375, which could be reasonably rounded to \$14,500.

Site 5(Lot 5 Block A) Site 5 is pretty much a standard SFR lot, though a bit larger than typical. A 5% adjustment for this aspect would be warranted for a value of \$13,125, which should reasonably be rounded to \$13,000.

Site 6(Lot 6 Block A) Site 6 is also a fairly standard SFR lot similar in utility to Sites 3 and 5, which I indicated had a market value of \$13,000. The advantage to this one, while it is still not financially feasible at this time to develop, it is fairly proximate to the

developed road and utilities and would present the least risk, from this aspect. A conservative bump because of this to around \$14K is reasonable.

Final Reconciliation

The process of reconciliation involves the analysis of each approach to value. The quality of data applied, the significance of each approach as it relates to market behavior and defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively with each other.

Value Indication

Sales Comparison Approach – Land Value:

Subject Lot	Market value
Site 1	\$15,000
Site 2	\$15,000
Site 3	\$13,000
Site 4	\$14,500
Site 5	\$13,000
Site 6	\$14,000

Sales Comparison Approach

The comparable sales used in this approach are the best available data for determining values for the subject lots. While it is not perfectly comparable, the adjustments made are reasonable and market based as much as possible. In the end the results for the estimated market value are a creditable indication of what the subject lots, as is, would sell for if marketed professionally.

Value Conclusion

Based on the data and analyses developed in this appraisal, I have reconciled to the following value conclusion(s), as of October 25, 2024, subject to the Limiting Conditions and Assumptions of this appraisal.

Subject Lot	Legal	Market value
Site 1	Lot 5A Blk 221	\$15,000
Site 2	Lot 1, Blk A	\$15,000
Site 3	Lot 2 Blk A	\$13,000
Site 4	Lot 3 Blk A	\$14,500
Site 5	Lot 5, Blk A	\$13,000
Site 6	Lot 6, Blk A	\$14,000

Certification Statement

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective future interest in the property that is the subject of this report, and have no personal interest 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 for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
- No one provided significant real property appraisal assistance to the person(s) signing this certification.
- I certify sufficient competence to appraise this property through education and experience, in addition to the internal resources of the appraisal firm.
- The appraiser has not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.
- Roger Ramsey made an inspection of the subject property.



Roger Ramsey
AK-APRG570

Addenda

Qualifications of Roger Ramsey

Since starting Ramsey Appraisal Resource in 2006, I have had the pleasure of providing high quality appraisal services to a diverse client base, on many complex appraisal assignments throughout S.E. Alaska.

A partial client list includes; AKDOT&PF, for which I have performed numerous valuations of partial and whole acquisitions, for eminent domain actions. Other State agencies which have used my services are AKDNR and Alaska Mental Health Trust Land Office. I have performed appraisals for the Cities and or Boroughs of Haines, Juneau, Petersburg, Ketchikan and Klawock. I am on the approved appraiser list of numerous lenders operating in SE Alaska and enjoy good working relationships with their review appraisers. I have been hired by attorneys and private parties for estate valuations and divorce proceedings. I have valued properties for conservation groups who are negotiating with property owners.

I am proud of my appraisal accomplishments and credit my success to good education, good mentors, helpful reviewers, persistence and hard work.

Professional Experience	Dates	Contact
Ramsey Appraisal Resource	2006-Present	Roger Ramsey
Horan and Company	4 months 2006	Charles Horan, 907-747-6666
AKDOT&PF	24 months 2004-2005	Ray Preston, 907-465-4519
Henricksen Appraisal	24 months 2002-2003	Bob Henricksen 907-723-3590
AKDOT&PF	8 months 2000-2001	Rob Murphy 907-465-4541

Education University of Alaska, BBA, 2001

Appraisal Education - Associate member of the Appraisal Institute # 401410

2023	USPAP Update, Practical Application of Fundamental Analysis, Appraisal of Industrial and Flex Buildings, The Cost Approach
2021	USPAP Update, Eminent Domain and condemnation appraising, Commercial Leases: The Tenant and Terms matter, Analyzing Operating Expenses, Cool Tools: New tech for appraisers.
2019	USPAP update, HP-12C, Appraisal Statistics and financing Appraisal Institute, Seattle
2017	Income Capitalization, Appraisal Institute – San Diego and USPAP update online
2015	Appraisal of Conservation Easements and other Partial interest – Sacramento CA
2013	USPAP update, -/- Uniform Appraisal Standards for Federal Land Acquisitions, -/- Business Practices and Ethics, Anchorage, AK
2011	USPAP update, Tigard OR, -/- Real Estate Industry Perspectives on Lease Accounting, online, -/- Basic building science, Air Sealing, ventilation & Ice Dam, Juneau, AK
2010	Advance Sales Comparison and Cost Approach, Seattle WA
2009	Advanced income Approach, Tigard OR, -/- Commercial Appraisal Engagement and Review, Tigard OR, -/-15-Hour USPAP, Tigard OR
2008	Sustainable Mixed use, Seattle, WA
2007	General Demonstration Appraisal Report Writing, Tigard, OR, -/- USPAP update Tualatin, -/- Appraisal & Appraisal Review for Federal-Aid Highway Programs, Anchorage, AK --
2006	General Applications, Online, -/- Apartment Appraisal, Concepts and Applications, Long Beach, CA
2005	Basic Income Capitalization, Tualatin, OR,-/- USPAP update Juneau, AK,-/- Best practices for Residential Report Writing, Juneau, AK
2004	Appraising Special Purpose properties, -/- Appraisal of Nonconforming Uses, -/- Partial Interest Valuation/Divided, -/- Subdivision Analysis, Anchorage, AK
2003	(USPAP) Standards of Professional Practice, Lake Oswego, OR, -/- Residential Case Study, Dublin, CA,
2002	Appraisal Procedures, Appraisal Institute, Diamond Bar, CA
1998	Appraisal Principles, Appraisal Institute, Chicago, IL

Types of Property Appraised

Commercial– I have appraised office buildings, apartments, marine facilities, restaurants, mixed use, convenience stores with gas, industrial and commercial shops. I have valued partial interest of remote recreational, industrial, commercial and residential properties for eminent domain. I have valued industrial, commercial, and residential tidelands. I have appraised large tracts of land with timber value, “special use properties (churches, armory, and funeral homes)”, and remote commercial properties (lodges).

Residential – I have appraised single family residences, duplexes, triplexes, four-plex's, remote improved and vacant residential properties throughout SE AK.

Markets Appraised:

I have appraised both town and remote locations in all of the following areas: Haines, Skagway, Gustavus, Hoonah, Tenakee springs, Juneau, Sitka, Petersburg, Wrangell, Ketchikan, Prince of Whales and Hyder

Glossary

This glossary contains the definitions of common words and phrases, used throughout the appraisal industry, as applied within this document. Please refer to the publications listed in the **Works Cited** section below for more information.

Works Cited:

- Appraisal Institute. *The Appraisal of Real Estate*. 13th ed. Chicago: Appraisal Institute, 2008. Print.
- Appraisal Institute. *The Dictionary of Real Estate Appraisal*. 5th ed. 2010. Print.

Effective Date

1. The date on which the analyses, opinion, and advice in an appraisal, review, or consulting service apply.
2. In a lease document, the date upon which the lease goes into effect. (Dictionary, 5th Edition)

Exposure Time

1. The time a property remains on the market.
2. 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; a retrospective estimate based on an analysis of past events assuming a competitive and open market. (Dictionary, 5th Edition)

Extraordinary Assumption

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions

external to the property such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary, 5th Edition)

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinion or conclusions. (USPAP, 2020-2021 ed.)

Fee Simple Estate

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. (Dictionary, 5th Edition)

Highest & Best Use

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved

property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value. (Dictionary, 5th Edition)

Highest and Best Use of Land or a Site as Though Vacant

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements. (Dictionary, 5th Edition)

Highest and Best Use of Property as Improved

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one. (Dictionary, 5th Edition)

Hypothetical Condition

That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary, 5th Edition)

Leased Fee Interest

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a

contractual landlord-tenant relationship (i.e., a lease). (Dictionary, 5th Edition)

Market Area

The area associated with a subject property that contains its direct competition. (Dictionary, 5th Edition)

Market Value

The major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined.

1. The most widely accepted components of market value are incorporated in the following definition: The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress.

2. Market value is described in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the value definition that is identified by the appraiser as applicable in an appraisal. (USPAP, 2020-2021 ed.) USPAP also requires that certain items be included in every appraisal report. Among these items, the

following are directly related to the definition of market value:

- Identification of the specific property rights to be appraised.
- Statement of the effective date of the value opinion.
- Specification as to whether cash, terms equivalent to cash, or other precisely described financing terms are assumed as the basis of the appraisal.
- If the appraisal is conditioned upon financing or other terms, specification as to whether the financing or terms are at, below, or above market interest rates and/or contain unusual conditions or incentives. The terms of above—or below—market interest rates and/or other special incentives must be clearly set forth; their contribution to, or negative influence on, value must be described and estimated; and the market data supporting the opinion of value must be described and explained.

3. The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market

under all conditions requisite to a fair sale, the buyer and the seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)

4. The International Valuation Standards Council defines market value for the purpose of international standards as follows: The estimated amount for which a property should

exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion. (International Valuation Standards, 8th ed., 2007)

5. Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure of time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal. (Uniform Standards for Federal Land Acquisitions) (Dictionary, 5th Edition)

exposure and marketing time). (Dictionary, 5th Edition)

Scope of Work

The type and extent of research and analyses in an assignment. (Dictionary, 5th Edition)

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable