

APPRAISAL OF REAL PROPERTY - VACANT LAND

Shaded area indicates approximate location / subject site



LOCATED AT

241 E. Egan Drive
Valdez, AK 99686
Lot 2 Sleepy Hollow ADD.#5

FOR

City of Valdez - AnnMarie Lain
P.O. Box 307
Valdez, AK 99686

OPINION OF VALUE

975,000

AS OF

10/4/2016

BY

Clint H. A. Lentfer
Alaska Appraisal & Consulting Group
203 W. 15th Ave. #206
Anchorage, AK 99501
(907) 677-7701
clint@akacg.com

LAND APPRAISAL REPORT

File No.:

	Property Address: 241 E. Egan Drive	City: Valdez	State: AK	Zip Code: 99686																																																																																				
	County: Valdez	Legal Description: Lot 2 Sleepy Hollow ADD.#5																																																																																						
SUBJECT	Assessor's Parcel #: 2060-005-002-0	Tax Year: 2016	R.E. Taxes: \$ 4,018	Special Assessments: \$ 0																																																																																				
	Market Area Name: Downtown Valdez	Map Reference: Valdez	Census Tract: 0003.00																																																																																					
	Current Owner of Record: Gavora Inc.	Borrower (if applicable): City of Valdez																																																																																						
	Project Type (if applicable): <input type="checkbox"/> PUD <input type="checkbox"/> De Minimis PUD <input checked="" type="checkbox"/> Other (describe) Vacant Land	HOA: \$ <input type="checkbox"/> per year <input type="checkbox"/> per month																																																																																						
Are there any existing improvements to the property? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If Yes, indicate current occupancy: <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant <input type="checkbox"/> Not habitable																																																																																								
If Yes, give a brief description: None - vacant and unimproved. Site is a large undeveloped site with frontage along the west side of the Richardson Highway near the entrance to downtown Valdez, having good visibility and access. Some gravel / cleared areas on site.																																																																																								
ASSIGNMENT	The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input type="checkbox"/> other type of value (describe)																																																																																							
	This report reflects the following value (if not Current, see comments): <input checked="" type="checkbox"/> Current (the Inspection Date is the Effective Date) <input type="checkbox"/> Retrospective <input type="checkbox"/> Prospective																																																																																							
	Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe)																																																																																							
	Intended Use: Intended use of the appraisal is for determining a possible sale price / sales price range for the subject parcel.																																																																																							
Intended User(s) (by name or type): City of Valdez / Prospective buyers / Other users identified by the client																																																																																								
Client: City of Valdez - AnnMarie Lain Address: P.O. Box 307, Valdez, AK 99686																																																																																								
Appraiser: Clint H. A. Lentfer Address: 203 W. 15th Ave. #206, Anchorage, AK 99501																																																																																								
MARKET AREA DESCRIPTION	Characteristics		Predominant Occupancy																																																																																					
	Location: <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Built up: <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	<input checked="" type="checkbox"/> Owner 65	One-Unit Housing																																																																																				
	Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Tenant 5	PRICE	AGE																																																																																			
	Demand/supply: <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	Marketing time: <input type="checkbox"/> Under 3 Mos. <input type="checkbox"/> 3-6 Mos. <input checked="" type="checkbox"/> Over 6 Mos.	<input type="checkbox"/> Vacant (0-5%)	\$000 (yrs)	50 %																																																																																			
			<input checked="" type="checkbox"/> Vacant (>5%)	125 Low 1	<input type="checkbox"/> Not Likely																																																																																			
				600 High 45	<input checked="" type="checkbox"/> Likely * <input type="checkbox"/> In Process *																																																																																			
				200 Pred 25	* To: Slowly from vacant to developed																																																																																			
	Factors Affecting Marketability																																																																																							
	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Item</th> <th>Good</th> <th>Average</th> <th>Fair</th> <th>Poor</th> <th>N/A</th> <th>Item</th> <th>Good</th> <th>Average</th> <th>Fair</th> <th>Poor</th> <th>N/A</th> </tr> </thead> <tbody> <tr> <td>Employment Stability</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Adequacy of Utilities</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Employment</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Property Compatibility</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Shopping</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Protection from Detrimental Conditions</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Convenience to Schools</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Police and Fire Protection</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Adequacy of Public Transportation</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td>General Appearance of Properties</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Recreational Facilities</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td>Appeal to Market</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </tbody> </table>					Item	Good	Average	Fair	Poor	N/A	Item	Good	Average	Fair	Poor	N/A	Employment Stability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Adequacy of Utilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Convenience to Employment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Property Compatibility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Convenience to Shopping	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Protection from Detrimental Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Convenience to Schools	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Police and Fire Protection	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Adequacy of Public Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	General Appearance of Properties	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Recreational Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Appeal to Market	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Market Area Comments: The subject is located along the eastern downtown Valdez District, fronting the Richardson Highway, near the entrance to downtown Valdez, Alaska, approximately 120 miles east of Anchorage on the east side of Prince William Sound, road access via the Richardson Highway. The site is considered have a good location, with all vehicles going into Valdez passing in front of the subject site, with paved, publicly maintained streets year round. Public utilities available in the area include water, sewer, telephone and electric - typical utilities for this type of site. Limited recent sales data is available in the area due to the relatively small market. The majority of vacant lots are heavily treed with good access and views of the surrounding Chugach mountains, with city maintained roads providing access and good visibility to the surrounding areas. The immediate neighborhood is a mixed-use residential / commercial area near downtown Valdez, considered a good location for mixed commercial uses, yet close enough to enjoy all the amenities of the City of Valdez, with good year round access and visibility. The subject has a good location, access and visibility with access from the east off the Richardson Highway and from the west off E. Dadina and E. Chena Street. further site description to follow.																																																																																								
SITE DESCRIPTION	Dimensions: Irregular - see plat map close-up		Site Area: 14.88 Acres																																																																																					
	Zoning Classification: General Commercial (G)		Description: This zoning allows for many types of commercial uses. See addendum page for description of zoning and allowable uses.																																																																																					
	Do present improvements comply with existing zoning requirements? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> No Improvements																																																																																							
	Uses allowed under current zoning: Multiple commercial and mixed residential uses. See addendum page for description of zoning and allowable uses.																																																																																							
	Are CC&Rs applicable? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unknown Have the documents been reviewed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Ground Rent (if applicable) \$ _____ / _____																																																																																							
	Comments: Highest & Best Use as improved: <input type="checkbox"/> Present use, or <input checked="" type="checkbox"/> Other use (explain) Commercial - mixed-use facility, or a subdivision into smaller lots																																																																																							
	Approximate Lot dimensions: 264' x 165' x 786' x 165' x 237' x 534' x 1,012' x 450' - 647,998 SF / 14.88 acres																																																																																							
	Actual Use as of Effective Date: Vacant Land Use as appraised in this report: Vacant Land																																																																																							
	Summary of Highest & Best Use: Subject consists of a 14.88 Acre general commercial zoned site with good frontage, visibility and access along the Richardson Highway just east of downtown Valdez - all favorable attributes, with the majority of the site being generally level and at grade with the surrounding area, with cleared gravel pad areas along the west side of the site, with a majority of the site appearing to be useable. The General Commercial zoning allows for multiple uses, with approx. 534' of Richardson Highway frontage - positive attribute. Good access and curb cuts along both streets assumed, allows for good potential development options. Overall favorable site attributes, however large site for the market - puts downward pressure on value.																																																																																							
	Utilities		Off-site Improvements																																																																																					
Electricity	<input checked="" type="checkbox"/> Public <input type="checkbox"/> Other CVEA	Street	Paved - good visibility <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private																																																																																					
Gas	<input type="checkbox"/> Public <input type="checkbox"/> Other None	Width	Typical / good																																																																																					
Water	<input checked="" type="checkbox"/> Public <input type="checkbox"/> Other City of Valdez	Surface	Paved																																																																																					
Sanitary Sewer	<input checked="" type="checkbox"/> Public <input type="checkbox"/> Other City of Valdez	Curb/Gutter	none																																																																																					
Storm Sewer	<input type="checkbox"/> Public <input type="checkbox"/> Other None	Sidewalk	Yes <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private																																																																																					
Telephone	<input checked="" type="checkbox"/> Public <input type="checkbox"/> Other CVT	Street Lights	Yes <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private																																																																																					
Multimedia	<input type="checkbox"/> Public <input type="checkbox"/> Other None	Alley	none																																																																																					
Other site elements: <input checked="" type="checkbox"/> Inside Lot <input type="checkbox"/> Corner Lot <input type="checkbox"/> Cul de Sac <input checked="" type="checkbox"/> Underground Utilities <input checked="" type="checkbox"/> Other (describe) good location, visibility, potential comm. uses																																																																																								
FEMA Spec'l Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No FEMA Flood Zone C FEMA Map # 0200940026C FEMA Map Date 12/1/1983																																																																																								
Site Comments: The subject consists of a favorably located site directly on the Richardson Highway, along the eastern edge of the downtown Valdez business district, and all vehicles that travel into Valdez pass directly in front of the subject. All public utilities are to the site, and its good location and dual access from the east and west are considered favorable attributes for future potential development. Offsetting factors include the large size of the site. The site has no improvements and is heavily treed, with gravel pad areas observed to the west side, with average gravel soils adequate for future development assumed. The large size of the site puts downward pressure on the concluded price per unit value, as there are very few lots that compete with the subject, and its large size is unique in the market. Direct access off the Richardson Highway from the east, and E. Dadina and E. Chena Street from the west. Plat maps and aerial maps show overall size / shape and potential development options. ASSUMED DIRECT ACCESS AND CURB CUTS OFF THE RICHARDSON HIGHWAY R.O.W. from the east, with additional access from the west via E. Dadina and E. Chena Street.																																																																																								

LAND APPRAISAL REPORT

File No.:

My research did did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s): **MLS, State of Alaska Recorders Office, Owner**

1st Prior Subject Sale/Transfer: Analysis of sale/transfer history and/or any current agreement of sale/listing: **No 36 month prior sale for subject. Subject has**

Date: **however been listed for sale on MLS for one year at \$1,300,000, which equates to about \$2.01/SF, indicating it is overpriced, no offers**

Price: **reported. No sales of comps within the past 12 months discovered. Discussion with realtor that has property listed indicates little**

Source(s): **interest, however had one offer below list price, however seller did not want to accept. Realtor feels site is large for the market,**

2nd Prior Subject Sale/Transfer: **impacting marketing time and value.**

Date: **Larger adjustments and the use of older sales in the analysis was unavoidable, and are typical in this sector of the more rural vacant land**

Price: **market due to lack of market activity, unique property characteristics, large size, access, visibility, size, view, soils, etc., with general and**

Source(s): **specific locations and overall attributes of sites also playing a role in the value.**

FEATURE	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	241 E. Egan Drive Valdez, AK 99686	5445 Robe Lake Est. Valdez, AK 99686	Lot 19, Blk 2, Mineral Creek Rd Valdez, AK 99686	Glacier Ave. - L4, Loop Rd Ind. Valdez, AK 99686
Proximity to Subject		8.49 miles SE	1.80 miles E	2.38 miles E
Sale Price	\$	\$ 389,000	\$ 90,000	\$ 31,000
Price/ Acre	\$	\$ 26,444.60	\$ 50,847.46	\$ 23,846.15
Data Source(s)	State of AK	Seller,MLS	City of Valdez, Buyer	City of Valdez
Verification Source(s)	Rec. Office	Ak Rec. Office	Ak Rec. Office	Ak Rec. Office
VALUE ADJUSTMENT	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION
Sales or Financing	N/A	Cash	Conv.	Cash
Concessions		None Noted	None Noted	None Noted
Date of Sale/Time	N/A	July 2016	November 2014	September 2012
Rights Appraised	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Location	Good/Richardson H	Avg+ / Robe Lake	Avg/Mineral Creek	Avg / Inferior
Site Area (in Acres)	14.88	14.71	1.77	1.3
Zoning	General Commercial	Comm. Res.	Comm. Res.	Light Industrial
Site attributes:	Richardson Hwy	Robe Lake/sim	Inf Frontage	Inf Frontage
Utilities	E,T,W,S	E,T,W,S	E,T,W,S	E,T
Lot Chk. / Views	good vis+soils	inf. site area-steep	On site improvmts	Inferior Visibility
Overall Adjusted \$/SF	Adj. are in % of SP	\$0.79/SF	\$1.34/SF	\$0.79/SF
Net Adjustment (Total, in \$)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 116,700	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 13,500	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 13,950
Net Adjustment (Total, in % of S.P.)		(30 % of S.P.)	(15 % of S.P.)	(45 % of S.P.)
Adjusted Sale Price (in \$)		\$ 505,700	\$ 103,500	\$ 44,950

Summary of Sales Comparison Approach: **See comments on following page regarding adjustments in the Sales Comparison Approach.**

PROJECT INFORMATION FOR PUDs (if applicable) The Subject is part of a Planned Unit Development.

Legal Name of Project: **N/A**

Describe common elements and recreational facilities: **None - Vacant Lot**

Indicated Value by: Sales Comparison Approach \$ **975,000**

Final Reconciliation: **The five comparables provide generally good support for the subjects concluded value. A concluded value range of \$900,000 to \$1,000,000 deemed appropriate, with the most probable concluded value slightly above mid range of \$975,000 - reasoning discussed next page.**

This appraisal is made "as is", or subject to the following conditions:

This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.

Based upon an inspection of the subject property, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is:

\$ **975,000**, as of: **10/4/2016**, which is the effective date of this appraisal.

If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.

A true and complete copy of this report contains **18** pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report, which contains the following attached exhibits: Scope of Work

Limiting cond./Certifications Narrative Addendum Location Map(s) Flood Addendum Additional Sales

Photo Addenda Parcel Map Hypothetical Conditions Extraordinary Assumptions

Client Contact: **AnnMarie Lain** Client Name: **City of Valdez - AnnMarie Lain**

E-Mail: **alain@ci.valdez.ak.us** Address: **P.O. Box 307, Valdez, AK 99686**

APPRAISER: **Clint H. A. Lentfer** SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)

Appraiser Name: **Clint H. A. Lentfer** Supervisory or Co-Appraiser Name:

Company: **Alaska Appraisal & Consulting Group** Company:

Phone: **(907) 677-7701** Fax:

E-Mail: **clint@akacg.com** E-Mail:

Date of Report (Signature): **10/25/2016** Date of Report (Signature):

License or Certification #: **506** State: **AK** License or Certification #: State:

Designation: Designation:

Expiration Date of License or Certification: **06/30/2017** Expiration Date of License or Certification:

Inspection of Subject: Did Inspect Did Not Inspect (Desktop) Inspection of Subject: Did Inspect Did Not Inspect

Date of Inspection: **10/4/2016** Date of Inspection:



ADDITIONAL COMPARABLE SALES

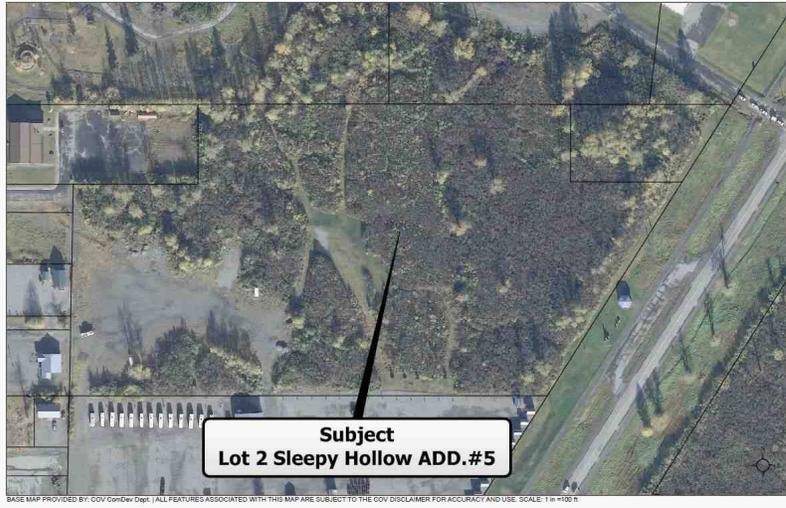
File No.:

FEATURE	SUBJECT PROPERTY	COMPARABLE NO. 4		COMPARABLE NO. 5		COMPARABLE NO. 6	
Address	241 E. Egan Drive Valdez, AK 99686	Near 130 Meals-Downtown VDZ Valdez, AK 99686		241 E. Egan Dr-SUBECT Valdez, AK 99686		Glacier Ave. - L2, Loop Rd Ind. Valdez, AK 99686	
Proximity to Subject		0.14 miles SW		0.15 miles NW		2.37 miles E	
Sale Price	\$	\$ 170,000		\$ 1,300,000		\$ 45,000	
Price/ Acre	\$	\$ 170,000.00		\$ 87,365.59		\$ 45,000.00	
Data Source(s)	State of AK	City of Valdez		MLS, Realtor-LISTING		City of Valdez	
Verification Source(s)	Rec. Office	Ak Rec. Office		Ak Rec. Office		Ak Rec. Office	
VALUE ADJUSTMENT	DESCRIPTION	DESCRIPTION	+ (-) % Adjust	DESCRIPTION	+ (-) % Adjust	DESCRIPTION	+ (-) % Adjust
Sales or Financing Concessions	N/A	Cash		ACTIVE LISTING		Cash	
		None Noted		ACTIVE -15% LP	-15	None Noted	
Date of Sale/Time	N/A	September 2007		ACTIVE- 365 DOM		May 2011	
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Location	Good/Richardson H	Sup.-downtown VDZ		Good/Richardson H		Avg / Inferior	
Site Area (in Acres)	14.88	1.0		14.88		1.0	
Zoning	General Commercial	Comm / Similar		General Commercial		Light Industrial	
Site attributes:	Richardson Hwy	Similar frontage		Richardson Hwy		Inf Frontage	
Utilities	E,T,W,S	E,T,W,S		E,T,W,S		E,T	
Lot Chx. / Views	good vis+soils	similar		good vis+soils		Inferior Visibility	
Overall Adjusted \$/SF	Adj. are in % of SP	\$2.73/SF		\$1.71/SF		\$1.50/SF	
Net Adjustment (Total, in \$)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -51,000	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -195,000	<input checked="" type="checkbox"/> + <input type="checkbox"/> -	\$ 20,250
Net Adjustment (Total, in % of S.P.)			(-30 % of S.P.)		(-15 % of S.P.)		(45 % of S.P.)
Adjusted Sale Price (in \$)		\$ 119,000		\$ 1,105,000		\$ 65,250	
Summary of Sales Comparison Approach							
<p>We have reviewed the most recent sales & listings of vacant land in the Valdez market, with the five most applicable comparables discovered analyzed in the sales comparison grid (S-5 is subject). We had to expand our search parameters (date of sale, site size, zoning, location) due to the lack of recent sales of similar properties, however after adjustments, the data provide good data for analysis. Numerous percentage adjustments were necessary to reflect the differing attributes, adjustments as follows: 10%-20% to reflect superior / inferior locations, 5% to reflect inferior zoning, respective site size adjustments, 10% to reflect superior / inferior frontage & visibility, 10% to reflect lack of water and sewer to the site, 10% to reflect S-2 on-site improvements, and 15% to reflect S-1 inferior useable area due to steeply sloping lot characteristics. Comp 4 is located in downtown Valdez, a superior location, large location and site attributes / characteristics adjustments necessary, high indicator, less weight overall smaller parcel - superior location. Comp 5 is the current listing of the subject parcel - included to illustrate a 15% list price / sale price reduction, typical of large lots in markets where there is limited activity, therefore a 15% downward adjustment has been made (average list price / sales price ratio). Comp 6 is very similar to S-3, a smaller parcel, inferior overall characteristics with many adjustments necessary - less weight. Overall price per acre range of the comparables is about \$24,000 to \$170,000, however S-4 is the high indicator (extreme outlier) given least weight.</p>							
<p>The overall adjusted SP of the comparables provides the best indicator due to the large size variances of the comparables, with the the overall adjusted average \$/SF being the best indicator, considered a supportive indicator for a value range of the subject site. The subject is representative of a value slightly below the mid-range of the indicators, having good visibility & year round access, all public utilities, good level site characteristics with good gravel soils assumed, offset by the large size of the site putting downward pressure on the price per SF value. The concluded value will be slightly below the mid range, with an adjusted \$/SF average of the five comps (not including the subject S-5) of \$1.43/SF. The concluded adjusted \$/SF range is about \$0.79/SF to \$1.71/SF(excluding extreme outlier S-4), overall average of about \$1.43/SF, with the following resulting approximate value range: \$512,000 to \$1,108,000. Final Value Range tighter near the mid range of about \$900,000 to \$1,000,000, most likely final concluded market value slightly above this range at \$975,000 due to positive site characteristics, somewhat offset by the larger size of the subject.</p>							

SALES COMPARISON APPROACH

Subject Photo Page

Borrower	City of Valdez				
Property Address	241 E. Egan Drive				
City	Valdez	County	Valdez	State	AK
Lender/Client	City of Valdez - AnnMarie Lain		Zip Code	99686	



Aerial View

241 E. Egan Drive
 Sales Price
 G.L.A.
 Tot. Rooms
 Tot. Bedrms.
 Tot. Bathrms.
 Location Good/Richardson H
 View
 Site 14.88
 Quality
 Age

APPROXIMATE
 LOT LINE
 LOCATION



Aerial View

APPROXIMATE
 LOT LINE
 LOCATION



Front View

looking southwest
 Richardson Hwy
 on left

Subject Photos

Borrower	City of Valdez						
Property Address	241 E. Egan Drive						
City	Valdez	County	Valdez	State	AK	Zip Code	99686
Lender/Client	City of Valdez - AnnMarie Lain						



Subject Site - east side - looking north



Subject Site - looking southwest



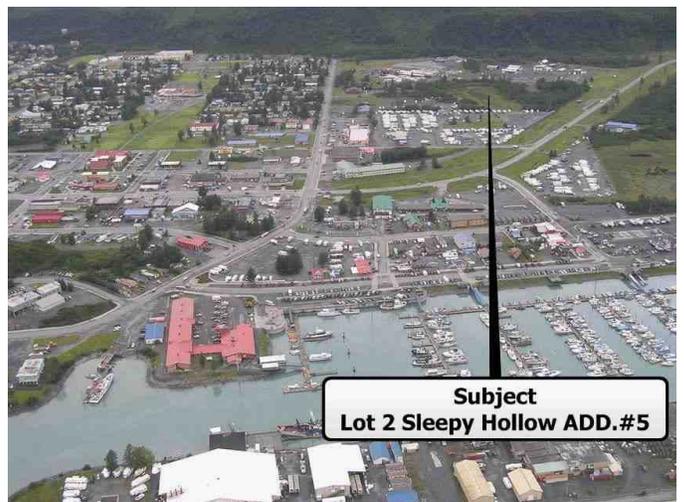
Subject Site - north side - looking south



Subject Site - north side - looking south



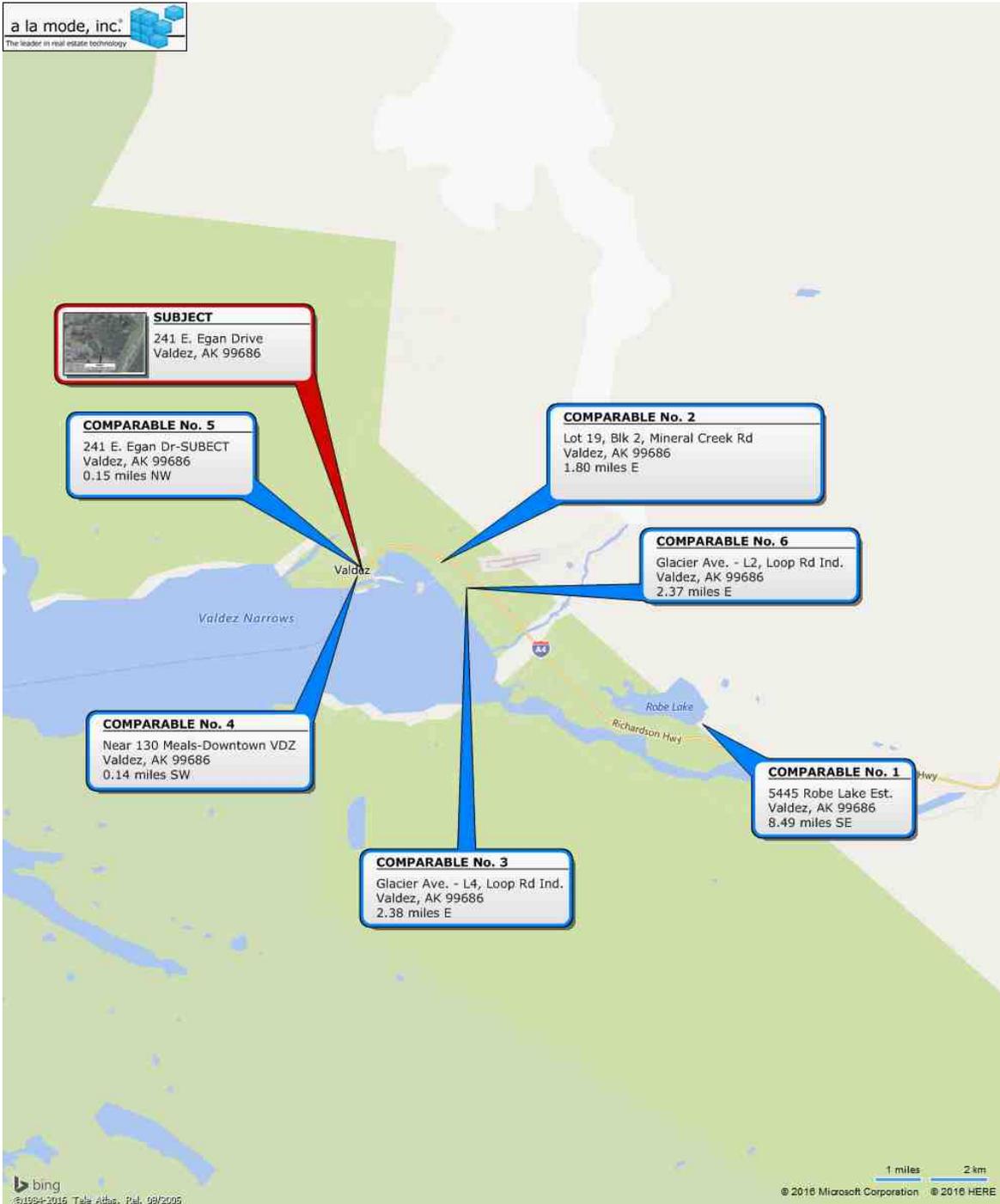
Subject Site - west side - looking east



Aerial view - City of Valdez

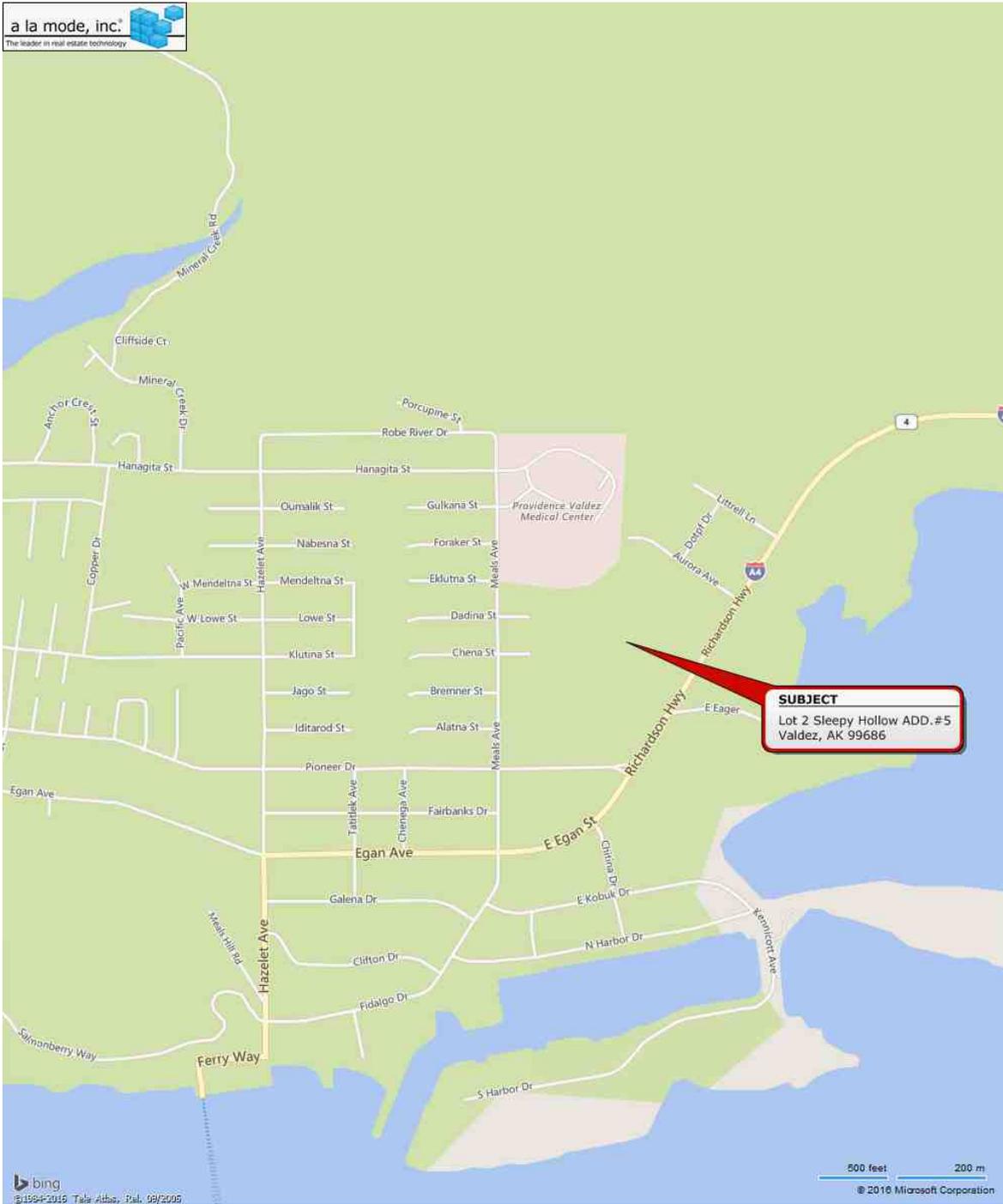
Location Map

Borrower	City of Valdez				
Property Address	241 E. Egan Drive				
City	Valdez	County	Valdez	State	AK
Lender/Client	City of Valdez - AnnMarie Lain				
				Zip Code	99686



Location Map

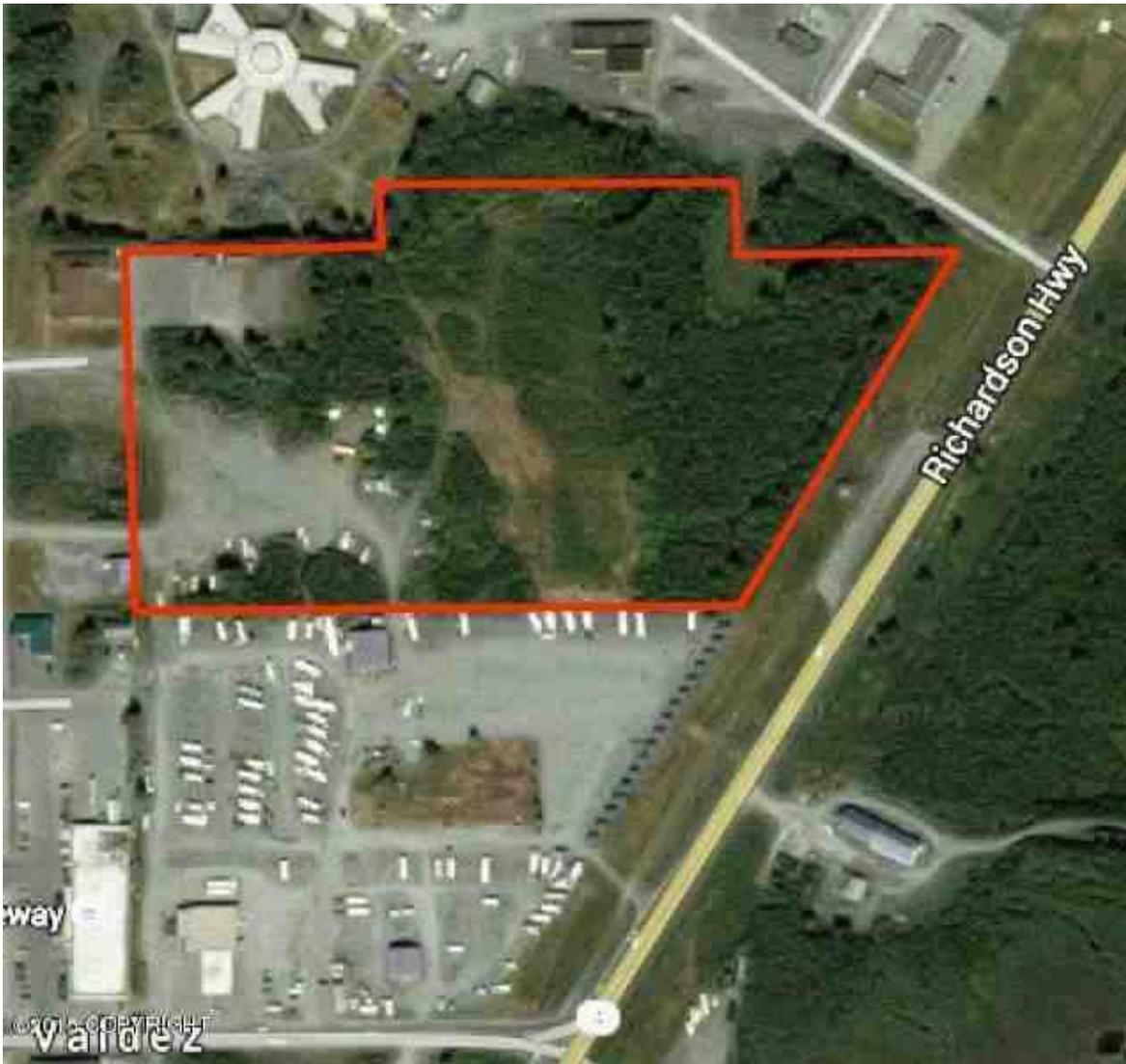
Borrower	City of Valdez				
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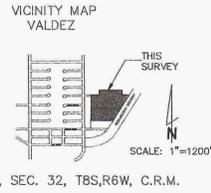
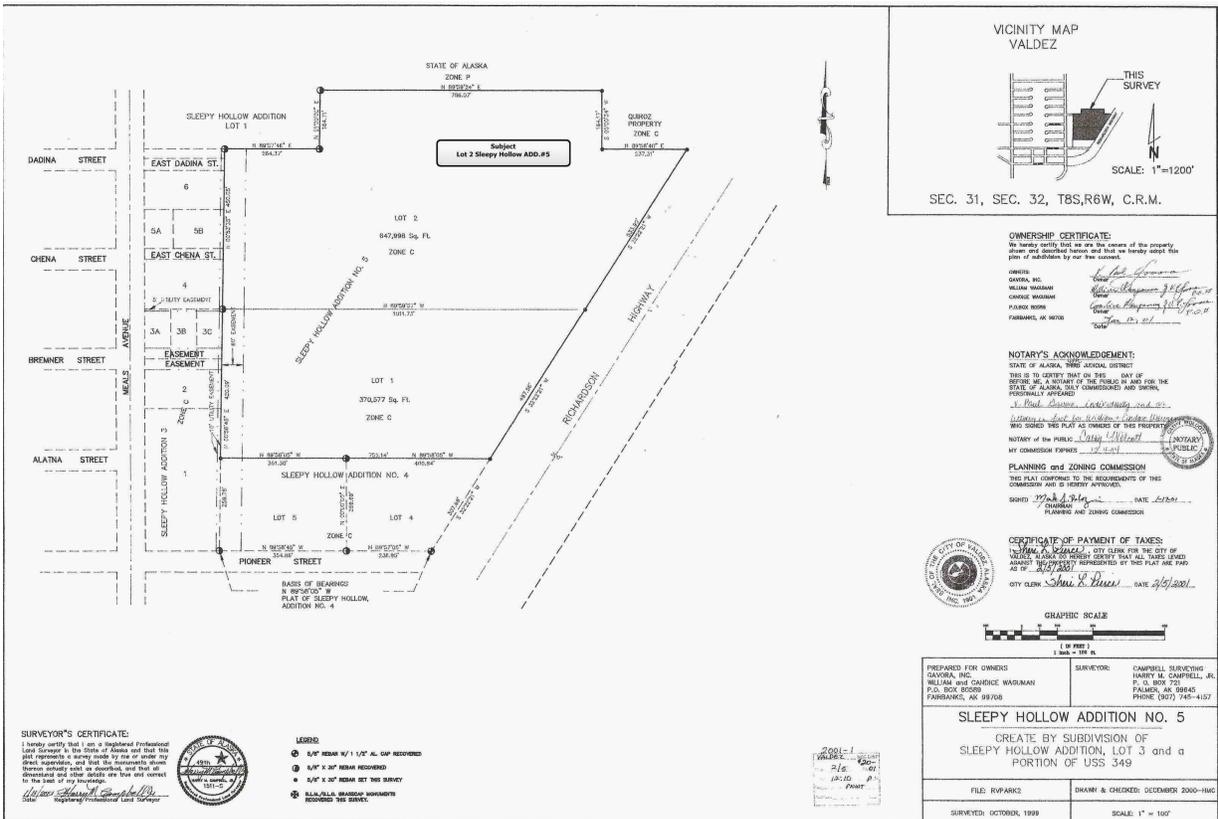
Location Map

Borrower	City of Valdez						
Property Address	241 E. Egan Drive						
City	Valdez	County	Valdez	State	AK	Zip Code	99686
Lender/Client	City of Valdez - AnnMarie Lain						

APPROXIMATE
LOT LINE
LOCATION



Plat Map



OWNERSHIP CERTIFICATE:
 We hereby certify that we are the owners of the property shown and described herein and that we hereby accept this plat of subdivision by our free consent.

OWNER:
 GAYNE, INC.
 WILLIAM WAGMAN
 CAROL WAGMAN
 FARNS BOON
 FARNSBURG, AR 70708

NOTARY'S ACKNOWLEDGEMENT:
 STATE OF ALASKA, THIRD JUDICIAL DISTRICT
 THIS IS TO CERTIFY THAT ON THE 10th DAY OF OCTOBER, 1999, A NOTARY OF THE PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED

J. Paul ...
 I, Paul ...
 who signed this plat as owner of the property shown and described herein.

NOTARY OF THE PUBLIC
 MY COMMISSION EXPIRES 1/1/01

PLANNING and ZONING COMMISSION
 THIS PLAN CONFORMS TO THE REQUIREMENTS OF THIS COMMISSION AND IS HEREBY APPROVED.

SIGNED: *John A. ...* DATE: 10/10/99
 CHAIRMAN
 PLANNING AND ZONING COMMISSION

CERTIFICATE OF PAYMENT OF TAXES:
 I, *Shirley R. ...* CITY CLERK FOR THE CITY OF VALDEZ, ALASKA, DO HEREBY CERTIFY THAT ALL TAXES DUE AGAINST THE PROPERTY DESCRIBED BY THIS PLAT ARE PAID AS OF 9/27/99.

CITY CLERK: *Shirley R. ...* DATE: 9/27/99



SURVEYOR'S CERTIFICATE:
 I hereby certify that this is a true and correct copy of the original survey as shown on the original survey and that the same is a true and correct copy of the original survey as shown on the original survey and that the same is a true and correct copy of the original survey as shown on the original survey.

William W. ...
 William W. ...
 Surveyor



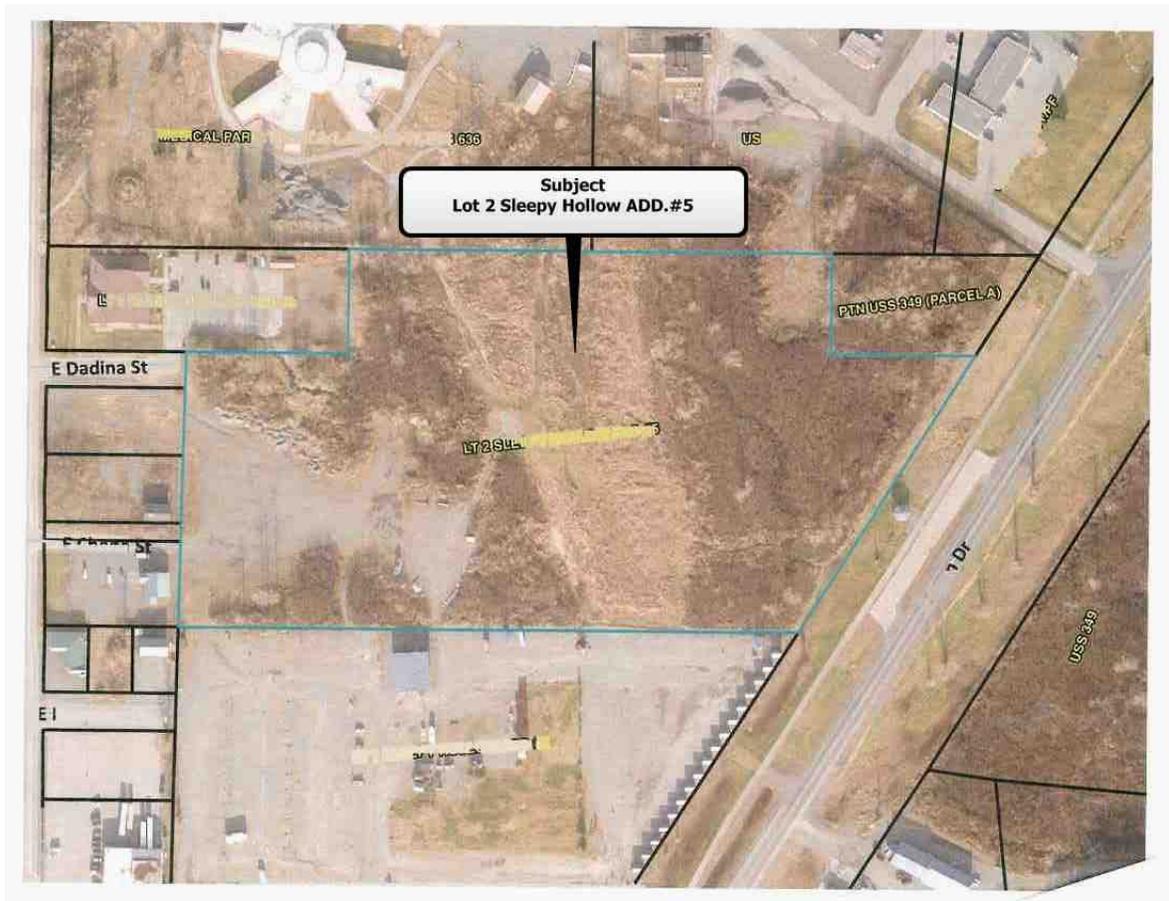
- LEGEND:**
- 0.4" X 0.4" REBAR W/ 1/2" AL CAP. RECOVERED
 - 0.4" X 0.4" REBAR RECOVERED
 - 0.4" X 0.4" REBAR SET BY SURVEY
 - ALL OTHER REBAR WORKMENTS RECOVERED BY SURVEY

2000-1
 216
 10/10/99

PREPARED FOR OWNERS GAYNE, INC. WILLIAM and CAROLINE WAGMAN P.O. BOX 8009 FARNSBURG, AR 70708	SURVEYOR: CAMPBELL SURVEYING HARRY M. CAMPBELL, JR. P. O. BOX 721 FARLAND, AR 70645 PHONE (507) 745-4157
SLEEPY HOLLOW ADDITION NO. 5	
CREATED BY SUBDIVISION OF SLEEPY HOLLOW ADDITION, LOT 3 and a PORTION OF USS 349	
FILE: RVPARK2	DRAWN & CHECKED: DECEMBER 2000-HMC
SURVEYED: OCTOBER, 1999	SCALE: 1" = 100'

Location Map

Borrower	City of Valdez						
Property Address	241 E. Egan Drive						
City	Valdez	County	Valdez	State	AK	Zip Code	99686
Lender/Client	City of Valdez - AnnMarie Lain						



Location Map

Borrower	City of Valdez						
Property Address	241 E. Egan Drive						
City	Valdez	County	Valdez	State	AK	Zip Code	99686
Lender/Client	City of Valdez - AnnMarie Lain						



Supplemental Addendum

File No.

Borrower	City of Valdez						
Property Address	241 E. Egan Drive						
City	Valdez	County	Valdez	State	AK	Zip Code	99686
Lender/Client	City of Valdez - AnnMarie Lain						

ZONING DESCRIPTION: G - General Commercial-

17.30.010 Intent.

The G (general commercial) district is served by the major and essential utilities of sewer, water and electricity and is intended to include those areas which are heavily exposed to automobile traffic. The district is intended specifically for those areas surrounding major intersections where personal services, convenience goods and auto-related service facilities are desirable and appropriate land uses. The extension of the G district commercial uses along arterials in a "strip" fashion is discouraged. (Ord. 03-15 § 12 (part): prior code § 30-22(a))

17.30.020 Permitted principal uses and structures.

In a G zone, the following uses and structures are permitted outright:

- A. All principal uses permitted within the central business district;
- B. Automobile service stations and automobile mechanical repair garages;
- C. Bowling alleys;
- D. Child care facilities;
- E. Community buildings, assembly halls and recreation centers;
- F. Fraternal organizations, private clubs and theaters;
- G. Hardware buildings, materials, supply establishments; provided, that such activities shall be conducted within a completely enclosed building;
- H. Hotels and inns;
- I. Motels;
- J. Pet stores;
- K. Print shops;
- L. Public parks and open space for informal recreation;
- M. Utilities installations, except dams, water reservoirs, sewer treatment plants and solid waste disposal facilities. (Ord. 03-15 § 12 (part): prior code § 30-22(b))

17.30.030 Permitted accessory uses.

In a G zone, the following uses and structures, which are incidental to the permitted principal uses and structures listed in Section [17.30.020](#), are permitted:

- A. Accessory buildings;
- B. Automobile parking in conjunction with a permitted or conditional use;
- C. One or more apartments;
- D. Home occupations;
- E. Small wind energy systems in conformance with Section [17.48.150](#). (Ord. 08-11 § 10: Ord. 03-15 § 12 (part): Ord. 94-04 § 1: Ord. 93-16 § 1: prior code § 30-22(c))

17.30.040 Conditional uses.

In a G zone, subject to the conditional use provisions of this title, the following uses and structures may be permitted:

- A. Boat and marine equipment repair facilities;
- B. Boat storage;
- C. Commercial planned unit developments;
- D. Playgrounds;

Supplemental Addendum

File No.

Borrower	City of Valdez				
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E. Recreational vehicle campground. (Ord. 03-15 § 12 (part): prior code § 30-22(d))

17.30.050 Prohibited uses and structures.

In a G zone, any uses or structures not of a character indicated under permitted principal uses and structures or permitted as a conditional use are prohibited. (Ord. 03-15 § 12 (part): prior code § 30-22(e))

17.30.060 Minimum lot requirements.

A. Lot width: fifty feet.

B. Lot area: six thousand feet. (Ord. 03-15 § 12 (part): prior code § 30-22(f))

17.30.070 Minimum setback requirements.

A. Front yard, side yard and rear yard: subject to building code regarding fire walls and separation of buildings.

B. Side yard where it abuts a residential zoning district: same as that required for the residential district.

C. Rear yard where it abuts a residential zoning district: same as that required for the residential district. (Ord. 03-15 § 12 (part): prior code § 30-22(g))

17.30.080 Maximum lot coverage by all buildings and structures.

Unrestricted. (Ord. 03-15 § 12 (part): prior code § 30-22(h))

17.30.090 Maximum height of buildings and structures.

A. Principal buildings and structures shall not exceed thirty-five feet in height, except as otherwise provided in this title.

B. Accessory buildings shall not exceed sixteen feet in height. (Ord. 03-15 § 12 (part): prior code § 30-22(i))

17.30.100 Required off-street parking and loading.

Adequate off-street parking and loading spaces shall be provided in connection with any permitted use in accordance with the requirements set forth in Sections [17.48.100](#) and [17.48.110](#). (Ord. 03-15 § 12 (part): prior code § 30-22(j))

17.30.110 Signs.

Signs may be allowed in conjunction with any permitted use subject to the provisions of Section [17.48.090](#). (Ord. 03-15 § 12 (part): prior code § 30-22(k))

City of Valdez - Zoning Map

Borrower	City of Valdez		
Property Address	241 E. Egan Drive		
City	Valdez	County	Valdez
		State	AK
		Zip Code	99686
Lender/Client	City of Valdez - AnnMarie Lain		



Borrower	City of Valdez	File No.
Property Address	241 E. Egan Drive	
City	Valdez	County Valdez State AK Zip Code 99686
Lender/Client	City of Valdez - AnnMarie Lain	

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

Appraisal Report (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)

Restricted Appraisal Report (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

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.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, 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.
- I have no bias with respect to the property that is the subject of this report or 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 opinion, 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 that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Reasonable Exposure Time

(USPAP defines Exposure Time as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is: 8-10 months

Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:
 none

APPRAISER:

Signature: 

Name: Clint H. A. Lentfer

State Certification #: 506

or State License #: _____

State: AK Expiration Date of Certification or License: 06/30/2017

Date of Signature and Report: 10/25/2016

Effective Date of Appraisal: 10/4/2016

Inspection of Subject: None Interior and Exterior Exterior-Only

Date of Inspection (if applicable): 10/4/2016

SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____

Name: _____

State Certification #: _____

or State License #: _____

State: _____ Expiration Date of Certification or License: _____

Date of Signature: _____

Inspection of Subject: None Interior and Exterior Exterior-Only

Date of Inspection (if applicable): _____

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, 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 each acting in what he considers his own best interest; (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. (Source: FDIC Interagency Appraisal and Evaluation Guidelines, October 27, 1994.)

* Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF LIMITING CONDITIONS AND CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is valued on the basis of it being under responsible ownership.
2. Any sketch provided in the appraisal report may show approximate dimensions of the improvements and is included only to assist the reader of the report in visualizing the property. The appraiser has made no survey of the property.
3. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
4. Any distribution of valuation between land and improvements in the report applies only under the existing program of utilization. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
5. The appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous waste, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. This appraisal report must not be considered an environmental assessment of the subject property.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
8. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
9. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.
10. The appraiser is not an employee of the company or individual(s) ordering this report and compensation is not contingent upon the reporting of a predetermined value or direction of value or upon an action or event resulting from the analysis, opinions, conclusions, or the use of this report. This assignment is not based on a required minimum, specific valuation, or the approval of a loan.

CERTIFICATION: The appraiser certifies and agrees that:

1. The statements of fact contained in this report are true and correct.
2. 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.
3. Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. Unless otherwise indicated, 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.
5. I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. 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 opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
9. Unless otherwise indicated, I have made a personal inspection of the interior and exterior areas of the property that is the subject of this report, and the exteriors of all properties listed as comparables.
10. Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

ADDRESS OF PROPERTY ANALYZED: 241 E. Egan Drive, Valdez, AK 99686

APPRAISER:

Signature: 
 Name: Clint H. A. Lentfer
 Title: _____
 State Certification #: 506
 or State License #: _____
 State: AK Expiration Date of Certification or License: 06/30/2017
 Date Signed: 10/25/2016

SUPERVISORY or CO-APPRAISER (if applicable):

Signature: _____
 Name: _____
 State Certification #: _____
 or State License #: _____
 State: _____ Expiration Date of Certification or License: _____
 Date Signed: _____
 Did Did Not Inspect Property