

APPRAISAL REPORT



Total Acquisition
Improved single-family residence
Located at 19906 Sterling Highway
in Cooper Landing, Alaska
Sterling Highway MP 44.5-58 Sunrise Inn to Skilak Lake Road Reconstruction
Federal-Aid Project #: 0212015
State Project #: Z530140000
Parcel #: 14
Easement #: N/A
TCP #: N/A
TCE #: N/A
BSBC File #: 20-029

FOR	DATE
State of Alaska Department of Transportation & Public Facilities Statewide Design & Engineering Division Central Region - Right of Way Section 4111 Aviation Avenue Anchorage, Alaska 99519-6900	Report Date August 17, 2020
	Effective Date of Value June 2, 2020

Attn.: Ms. Marcie DeCarli, Acquisitions Supervisor

BY
Brian Bethard, MAI
General Real Estate Appraiser (Cert. #281)
BLACK-SMITH, BETHARD & CARLSON, LLC
1199 E. Dimond Blvd., Ste. 200, Anchorage, Alaska 99515

PART I – INTRODUCTION

Appraisers
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Anchorage, Alaska 99515
Phone: 907-274-4654
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BLACK-SMITH, BETHARD & CARLSON, LLC

August 17, 2020

Client: State of Alaska Department of Transportation & Public Facilities
Statewide Design & Engineering Division
Central Region - Right of Way Section
4111 Aviation Avenue
Anchorage, Alaska 99519-6900

Attention: Ms. Marcie DeCarli, Acquisitions Supervisor

Re: Sterling Highway MP 44.5-58 Sunrise Inn to Skilak Lake Road Reconstruction
Project Number: 0212015 / Z530140000
Parcel Number: 14
TCE Number: N/A
Property Owner: Todd J. Donahue and Michelle Donahue, husband and wife
Property Location: 19906 Sterling Highway, in Cooper Landing, Alaska
Legal Description: ASLS 79-211 Lot 6A
Tax ID #: 11913-011

Dear Ms. DeCarli:

We are submitting an *appraisal report* that estimates the value of the proposed acquisition, as of June 2, 2020 at:

\$350,000

The value opinion is stated in terms of cash and is qualified by certain definitions, assumptions, limiting conditions and certifications.

The appraisal and report are intended to comply with the requirements of the *Uniform Standards of Professional Appraisal Practice* (USPAP) and the procedures and guidelines of the Alaska Right-of-Way Manual.¹

Sincerely,
BLACK-SMITH, BETHARD & CARLSON, LLC



Brian Bethard, MAI
General Real Estate Appraiser (Cert. #281)

August 17, 2020

Date

¹ State of Alaska Department of Transportation and Public Facilities

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NARRATIVE APPRAISAL SUMMARY

PROJECT INFORMATION

PROJECT NAME:	Sterling Highway MP 44.5-58 Sunrise Inn to Skilak Lake Road Reconstruction
FEDERAL-AID PROJECT #:	0212015
STATE PROJECT #:	Z530140000
PARCEL #:	14
TCE #:	N/A
TCP #	N/A

OWNER INFORMATION

OWNER:	Todd J. Donahue and Michelle Donahue, husband and wife
ADDRESS:	P.O. Box 788, Cooper Landing, Alaska 99572-0788
TELEPHONE NUMBER:	907-244-4644
PARCEL LOCATION:	19906 Sterling Highway, Cooper Landing, Alaska
LEGAL DESCRIPTION:	ASLS 79-211 Lot 6A
ZONING:	N/A
CURRENT USE:	Improved single-family residence
HIGHEST AND BEST USE:	Residential development
As Vacant	As-Is
As Improved	
RIGHTS APPRAISED:	Fee Simple
INSPECTION DATE:	June 2, 2020
DATE OF VALUE:	June 2, 2020

PARCEL DESCRIPTION SUMMARY

PARCEL AREA:	Gross: 42,689 SF (0.980 AC) Net: 42,689 SF (0.980 AC)	EASEMENT ACQUIRED:	0 SF (0.000 AC)
AREA OF ACQUISITION:	Gross: 42,689 SF (0.980 AC) Net: 42,689 SF (0.980 AC)	TCP ACQUIRED:	0 SF (0.00 AC)
REMAINDER:	0 SF (0.000 AC)	TCP ACQUIRED:	0 SF (0.00 AC)
AREA OF LARGER PARCEL SUBJECT TO PLO OR SECTION LINE EASEMENT:			0 SF (0.00 AC)

ACQUISITION SUMMARY

1. MARKET VALUE BEFORE ACQUISITION: See Note 1	LAND	N/A			
	IMPROVEMENTS	N/A	=	\$350,000	
2. LESS ACQUISITION VALUE AS PART OF THE WHOLE:	LAND	N/A			
	IMPROVEMENTS	N/A	-	\$350,000	
3. REMAINDER VALUE AS PART OF THE WHOLE:			=	\$0	
4. ESTIMATED MARKET VALUE OF REMAINDER:	LAND	\$0			
	IMPROVEMENTS	N/A		\$0	
5. DAMAGES (if any)		\$0			
6. LESS SPECIAL BENEFITS (if any)		\$0	*	\$0	
7. ACQUISITION VALUE as PART of the WHOLE			+	\$350,000	
8. NET DAMAGES			+	\$0	
9. COST-to-CURE			+	\$0	
10. EASEMENTS:			+	\$0	
11. TEMPORARY CONSTRUCTION PERMITS:			+	\$0	
12. TEMPORARY CONSTRUCTION EASEMENTS:			+	\$0	
13. PLO OR SECTION LINE EASEMENTS:			+	\$0	
14. OTHER: Temporary Construction Easements (TCEs)			+	\$0	
15. MARKET VALUE OF ACQUISITION: See Note 1			=	\$350,000	

1. The indicated value of the whole (and the value of the acquisition) reflects the fee value – unallocated for rights previously reserved or conveyed, if any (e.g. subsurface rights, utility easements, leaseholds, etc.).

Date: August 17, 2020

Prepared By:

Brian Bethard, MAI

CERTIFICATION

Name of Appraiser: Brian Bethard, MAI

I CERTIFY THAT:

Brian Bethard, MAI inspected the parcel on June 2, 2020. Ryan McGillivray provided professional assistance. I limited his services to photography, basic research, general data gathering and the organization of report contents.

I have afforded the property owner the opportunity to accompany me at the time of my inspection of the property.

To the best of my knowledge and belief, the statements contained in this appraisal report are true and correct, and the information upon which my opinions are based is accurate, subject only to the assumptions and limiting conditions set out in the report.

My appraisal report is intended to be used by the State of Alaska Department of Transportation & Public Facilities in connection with an acquisition for the above-referenced project to be constructed with the assistance of federal funds.

This appraisal report has been made in conformity with applicable federal standards, State of Alaska statutes, regulations, policies, and procedures and with accepted industry practices applicable to valuation of lands for such purposes. To the best of my knowledge, all values that I have assigned to the property are compensable under the established law of the State of Alaska. Values assigned do not reflect a decrease or increase due to the proposed project.

Neither my employment nor my compensation for making this appraisal report are in any way contingent upon the reporting of a predetermined value that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.

I have no direct, indirect, present, or prospective interest in the subject property; and I have no personal interest or bias with respect to the parties involved, nor will I benefit in any way from the acquisition of this property.

I have not revealed the findings and results of this report to anyone other than the proper officials of the Alaska Department of Transportation and Public Facilities, the Federal Highway Administration, or the Federal Aviation Administration, and I will not do so until so authorized by proper officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

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.

As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute and the State of Alaska.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

Based upon my independent, unbiased research and analysis, my professional opinion of market value is \$350,000 as of June 2, 2020.

August 17, 2020



Date

Brian Bethard, MAI
General Real Estate Appraiser (Cert. #281)

LIMITING CONDITIONS

General limiting conditions and assumptions are summarized in the addenda.

Extraordinary assumptions,²*hypothetical conditions*,³ and limiting conditions specific to this appraisal are identified below. **Note:** Reliance on *extraordinary assumptions* and/or *hypothetical conditions* could affect the assignment results.

- The site has a well and septic system. No defects or deficiencies were reported but specifications were not available. I developed the appraisal according to the *Extraordinary Assumption* that the on-site well and septic systems are in compliance with applicable regulations.
- The ceiling tiles shown in the interior photos of the residence provided by the property owner appear to be 1'x1'. Older examples of this style of ceiling tile was known to contain asbestos. It is an *extraordinary assumption* of this report that the subject improvements do not contain asbestos.
- Due to the COVID-19 pandemic, the interiors of all the buildings were not inspected. Photographs of the single family residence were provided by the property owner. It is an *Extraordinary Assumption* of this report that the interior of the single family home is in the same condition represented by the provided photographs.

² "An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions." *Uniform Standards of Professional Practice*

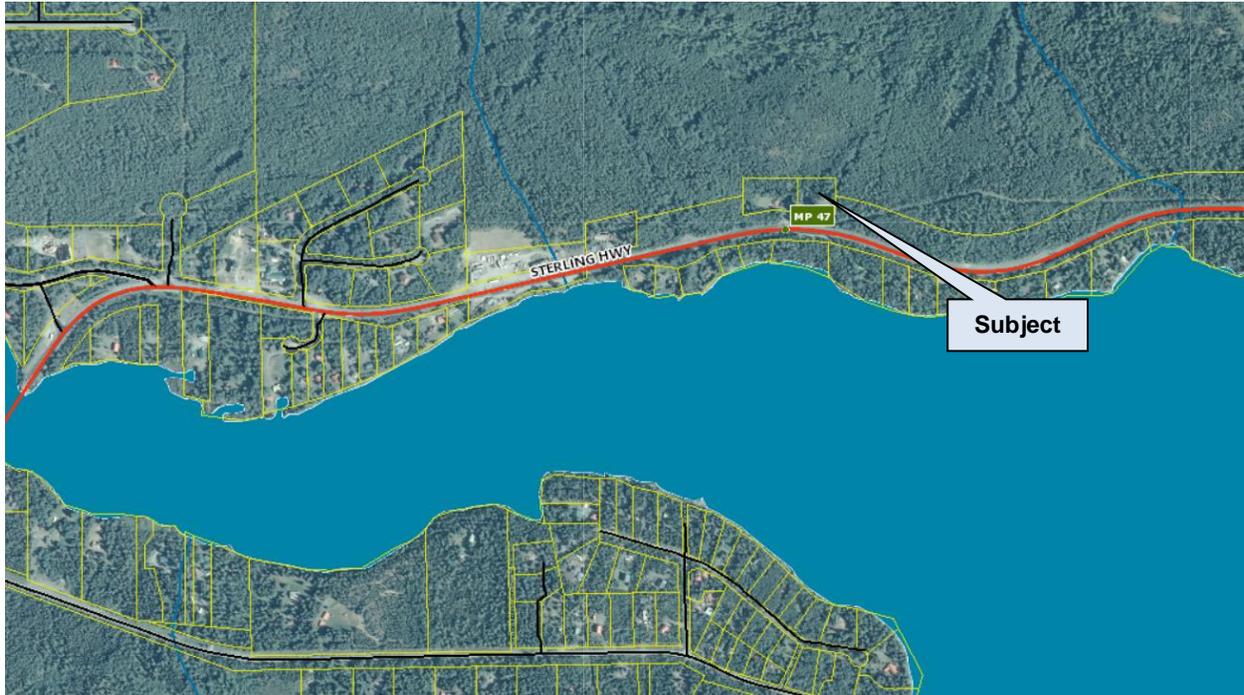
³ "A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis." *Uniform Standards of Professional Practice*

PART II – PREMISES OF THE APPRAISAL

IDENTIFICATION OF THE PROPERTY

LOCATION

The property is located on the north side of the Sterling Highway (± MP 47) near the community of Cooper Landing and Kenai Lake. The street address is 19906 Sterling Highway.



LEGAL DESCRIPTION

ASLS 79-211 Lot 6A

Kenai Peninsula Borough TAX ID

11913-011

OWNERSHIP

Todd J. Donahue and Michelle Donahue, husband and wife

P.O. Box 788

Cooper Landing, Alaska 99572-0788

907-244-4644

DETERMINATION OF THE LARGER PARCEL

The property owner does not own any contiguous properties. The property identified is the larger parcel.

PART TO BE ACQUIRED

The project requires a Total Acquisition,

SUBJECT PHOTOS taken by Ryan McGillivray



Front entrance to the single family residence.



Western elevation of the single family residence.



Northern elevation of the single family residence.



Southern elevation of the shed.



View of the woodshed.



Southern elevation of the dry cabin.

SUBJECT PHOTOGRAPHS CONT.



Interior view (through the window) of the dry cabin.



Greenhouse/shed.



Outhouse



Eastern elevation of the shed.



View of the detached garage.



Interior view (through the window) of the 2nd floor apartment on the detached garage.

SUBJECT PHOTOGRAPHS CONT.



Wooded area on the northern portion of the lot.



Looking northwesterly at the firepit. The dry cabin and shed are in the background.



Looking down the driveway towards the Sterling Highway.



Partial Kenai Lake view from the 2nd floor deck on the detached garage.



Streetscene looking west on the Sterling Highway.



Streetscene looking east on the Sterling Highway.

SUBJECT PHOTOGRAPHS- Interior photographs provided by the property owner



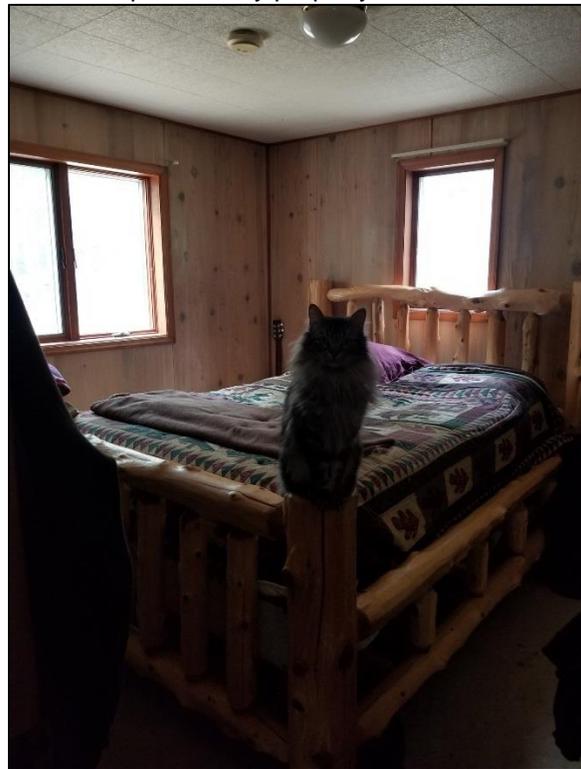
Kitchen- provided by property owner



Bedroom- provided by property owner



Bedroom- provided by property owner



Bedroom- provided by property owner. 1'x1' ceiling tiles are noted.



Living room- provided by property owner



Living room- provided by property owner. 1'x1' ceiling tiles are noted.



Living room- provided by property owner. 1'x1' ceiling tiles are noted.

SUMMARY OF THE APPRAISAL PROBLEM

Client: State of Alaska Department of Transportation & Public Facilities
Statewide Design & Engineering Division
Central Region - Right of Way Section
4111 Aviation Avenue, Anchorage, Alaska
Attn.: Ms. Marcie DeCarli, Acquisitions Supervisor

Larger Parcel	Parcel 14 - ASLS 79-211 Lot 6A
Nature of the Acquisition	The project requires a Total Acquisition
Effective Date of Value	June 2, 2020 (the date of inspection)
Existing Use	Single-family residence



Owner Comments

The owners (Todd and Michelle Donahue) joined us on the inspection and reported the property history and the attributes. Notes they provided are shown on the following page.

Donahue property

19906 Sterling Hwy Cooper Landing, AK 99572

The following is to help show the value of our property and its improvements, not only the market value but the additional value of running our fishing business out of this location for over 15 years.

This parcel is among one of the best and desired in Cooper Landing due to:

*Sunny side of the lake (any Cooper Landing resident will tell you the "sunny side" gets sun most of the year)

* All Gravel and good drainage

* Good quality drinking water and well including water rights up the mountain

*Private forested parcel

*Outdoor playground out our front door that we enjoy every season whether it be hiking, biking

4 wheeling, snow machining, antler hunting, sledding, the list goes on and on.

* Mountain and Kenai Lake views

* 3 bedroom, 2 bathroom

* Large 2 story shop with apartment

*Road side marketing presence for our fishing and lodging business, Alaska Streamers,
<https://www.kenairiverfishingtrip.com/>

* additional cabin and apartment for guests/employees

*** Cooper Landing has a lack of housing inventory especially for entry level housing.

Market Values are high here mainly due to supply and demand.

This trend reflects both vacant land and improved properties.

There is a widespread issue throughout much of the Cooper Landing area in attaining good water, many areas where wells are impossible or 500 plus feet to water. This is an expensive impediment. We mention this due to the lack of housing inventory and the expense of attaining reliable well water in many areas.

Same goes for good gravel lots and acreage, they are few and far between Many people here are challenged with swamp, rock and/or clay issues.

Thank you,

Todd & Michelle Donahue

PURPOSE OF THE APPRAISAL

The *purpose of the appraisal* is to estimate the market value of the property owner’s rights acquired as defined by the Alaska Supreme Court, as follows:

The price in (terms of) money that the property could be sold for on the open market under fair conditions between an owner willing to sell and a purchaser willing to buy, with a reasonable time allowed to find a purchaser. State v. 7.026 acres, Sup. Ct. Op. No. 601 (File No. 1106), 466 P.2d 364 (1970). The opinion further reads, in part: The highest and most profitable use for which the property is adaptable is to be considered, to the extent that the prospect of demand for such use affects the market value while the property is privately held.” Fair market value is normally based on a parcel’s fee simple value.

INTENDED USE OF THE APPRAISAL

The function of the report (intended use) is to provide a market value estimate for compensating the property owner for the acquisition of property rights acquired according to the Alaska Constitution, Article 1, Section 18, Eminent Domain, which reads, in part, “Private property shall not be taken or damaged for public use without just compensation.”

INTENDED USER(S)

The intended users include the client, the property owner, and appropriate regulatory agencies.

SCOPE OF WORK

Data sources and the steps in the appraisal development process are summarized:

PROPERTY DATA

The client identified the property and provided a title report and design plans. I obtained a tax history, plat maps, and zoning regulations from the Kenai Peninsula Borough (KPB).

I inspected and photographed the property on June 2, 2020 in the presence of the owners Todd and Michelle Donahue.

AREA DATA

In order to identify significant trends and indicators, I relied on Multiple Listing Service data and various publications, reports, and surveys including the *Anchorage Daily News* and *Alaska Economic Trends*.

MARKET ANALYSIS

Given the property type and stable market conditions, an *inferred demand* analysis is appropriate (demand is inferred from general market conditions and the available data).

MARKET DATA

Alaska is a non-disclosure state. The FLEX Multiple Listing Service (MLS) is the primary source of data. Secondary sources include real estate brokers/agents and other appraisers.

APPRAISAL DEVELOPMENT

The property is improved with a single-family residence and several outbuildings, I developed my opinion of value by the *sales comparison approach* for the site and residence. The *cost* and *income approaches* are not relevant to the appraisal problem. As required by USPAP, their omission is explained.

APPRAISAL REPORTING

The report is intended to comply with the reporting requirements for an *appraisal report* as set forth under Standards Rule 2-2 of the USPAP. It presents summary discussions of the data, reasoning, and analysis that were used to develop my opinion of value. Supporting documentation is retained in my work file. The depth of discussion contained in this report is specific to the client's intended use.

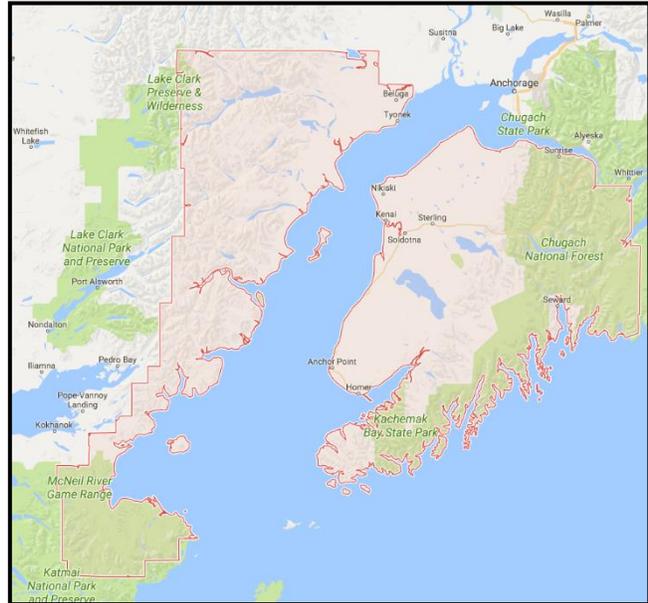
PART III – PRESENTATION OF DATA

AREA DATA AND NEIGHBORHOOD ANALYSIS

More than 60% of Alaska’s population resides in the south-central region that includes the Municipality of Anchorage, the Matanuska-Susitna Borough and the Kenai Peninsula Borough (KPB). The subject lies inside the boundaries of the Kenai Peninsula Borough.

KENAI PENINSULA BOROUGH

The Kenai Peninsula extends from Southcentral Alaska toward the Gulf of Alaska along Cook Inlet. The area can be accessed by the Sterling Highway, a paved two-lane highway that connects with the Seward Highway which extends north to Anchorage. The Kenai Peninsula Borough (KPB) encompasses all of the Kenai Peninsula and includes lands located across Cook Inlet.



Borough functions include tax assessment and collection, education, planning and zoning, solid waste disposal, hospitals, fire department, and recreation. The population is estimated at ±58,471.⁴

The cities of Kenai and Soldotna are the business centers for the region. Kenai, on the east shore of Cook Inlet, is the principal commercial fishing and processing center. Soldotna, located approximately seven miles inland along the Kenai River, is the seat of the Borough government, location of the Central Peninsula Hospital, and Kenai Community College. The Kenai River is 82 miles long and runs from Kenai Lake through the Kenai National Wildlife Refuge and Skilak Lake to its outlet in Cook Inlet. The river is the primary outdoor attraction of Southcentral Alaska and is a significant resource in terms of seasonal industries: commercial fishing and a growing commercial recreation industry. The regional economy is increasingly diversified and continued slow growth is projected. Offshore and some onshore oil and gas production contributes to the economic base.

Population trends for the borough and the communities that represent the exchange property neighborhoods, are shown in the following table:

	<u>*1990</u>	<u>*2000</u>	<u>*2010</u>	<u>**2018</u>	<u>%Δ over 28 years</u>
Kenai Peninsula Borough	40,802	49,691	55,400	58,471	43%
• Soldotna	3,482	3,759	4,163	4,327	24%
• Sterling	3,802	4,705	5,617	6,071	60%
• Cooper Landing	243	369	289	265	9%

* U. S. Census

** Alaska Department of Labor Estimates

⁴ Alaska Department of Labor and Workforce Development population estimates reported in the Alaska Dispatch News – January 10, 2019

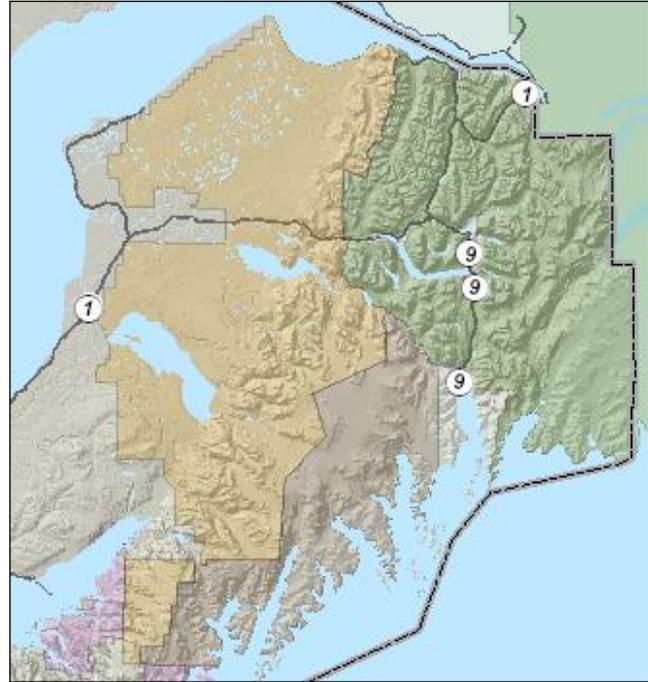
NEIGHBORHOOD ANALYSIS

The subject is located on the Kenai Peninsula, in Cooper Landing, Alaska. It fronts the Sterling Highway at MP 47.

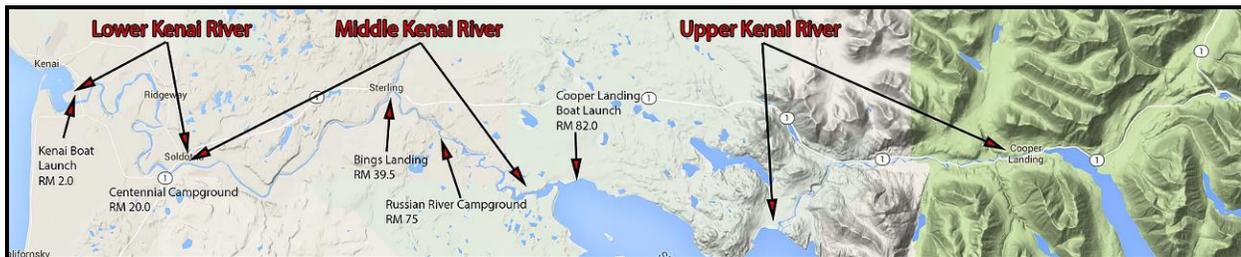
Cooper Landing is a small roadside community (population 265) at the outlet of Kenai Lake. It swells with seasonal sport-fishing activity on the Upper River. Limited privately-owned lands are developed with rural residences, cabins, and commercial recreation uses. Demand exceeds the supply; the market supports scarcity-driven premiums.

Kenai River

The Kenai River is the predominant attraction on the Kenai Peninsula. It is the most heavily-fished river in Alaska. In recent years, an average of 275,000 angler-days of participation have been recorded.⁵



- The first 17.3 miles from Kenai Lake in the community of Cooper Landing to Skilak Lake is commonly called the “Upper River.” Except for the first two miles from Kenai Lake, land along the Upper River is federally owned.
- The 19.5 mile middle segment from the outlet of Skilak Lake to the community of Soldotna is referenced as the “Middle River.” From the outlet of Skilak Lake, Federal lands on both Mid-River sides transition to predominantly private ownership (including Native corporation lands).
- The Sterling Highway Bridge in Soldotna marks the beginning of the “Lower River.” This final 21-mile section is gentler, and the river winds its way to empty in Cook Inlet near the city of Kenai. The final 12 miles of this section are tidally influenced.



Along both the Middle and Lower segments, historic demand has supported subdivision into the minimum allowable lot size; typically 40,000 SF where public/community water and sewer services are not available. Numerous non-conforming subdivisions predated the current requirement.

⁵ Alaska Department of Fish and Game, Southcentral Region

General Neighborhood

The *general neighborhood* is referenced by Cooper Landing and Kenai Lake. Kenai Lake is a large, "zig-zag" shaped lake that forms the headwaters of the Kenai River, and is itself a destination for fishing and other outdoor activity. Due to its size and shape it is accessible from both the Sterling Highway and the Seward Highway.

Land surrounding Cooper Landing and Kenai Lake are in the Chugach National Forest (green). This land is undeveloped.



Immediate Neighborhood

The *immediate neighborhood* is referenced by Cooper Landing. The location is un-zoned. Kenai Peninsula Borough (KPB) land-use regulations are typical. Local residents are eligible for subsistence hunting and fishing permits. Distribution electricity is in the area but no other utilities are available. Improved uses require on-site facilities.

In summary, despite moderate to steep slopes north of the highway, demand supports development where possible; the neighborhood is suitable for developers, investors, and users/owner-occupants.

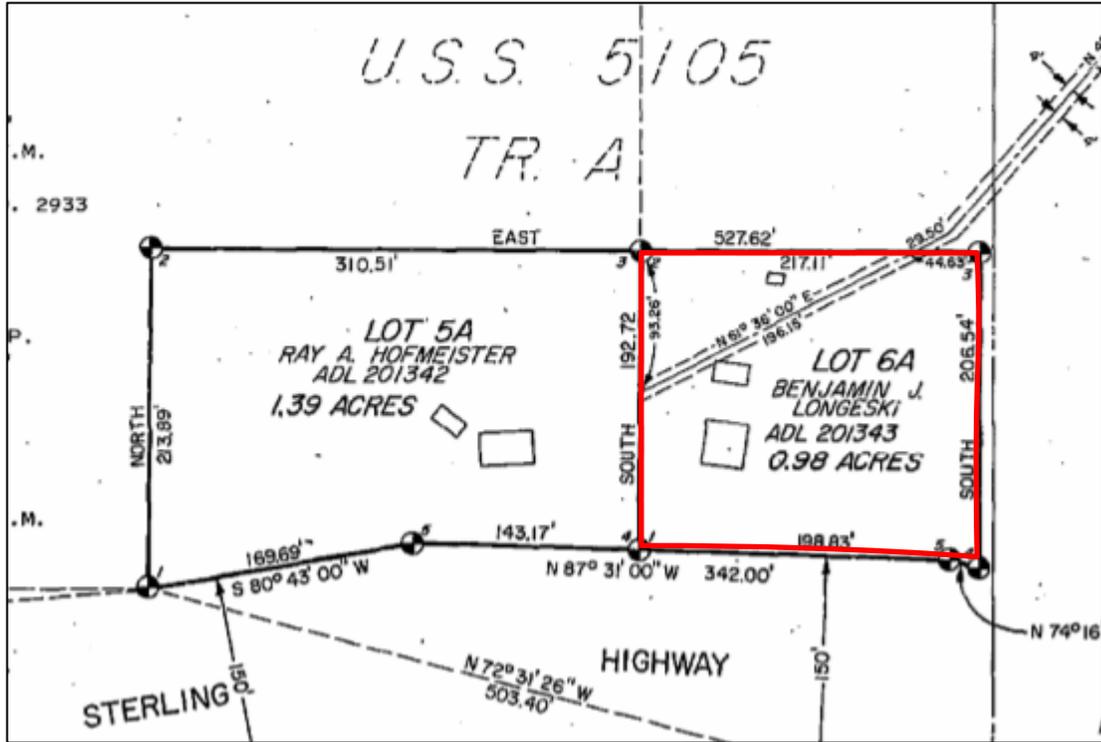


SITE DESCRIPTION

Location: The property is located on the north side of the Sterling Highway (± MP 47) within the community of Cooper Landing. The street address is 19906 Sterling Highway.

Access: Access is adequate from the Sterling Highway.

Plat: Alaska State Land Survey No. 79-211



Land Area:	Gross:	42,689 SF	(±0.980 AC)
	Existing ROW:	0 SF	(0.00 AC)
	Net:	42,689 SF	(±0.980 AC)

Shape: Square interior lot with adequate frontage to depth

Road Frontage: 198' on Sterling Highway

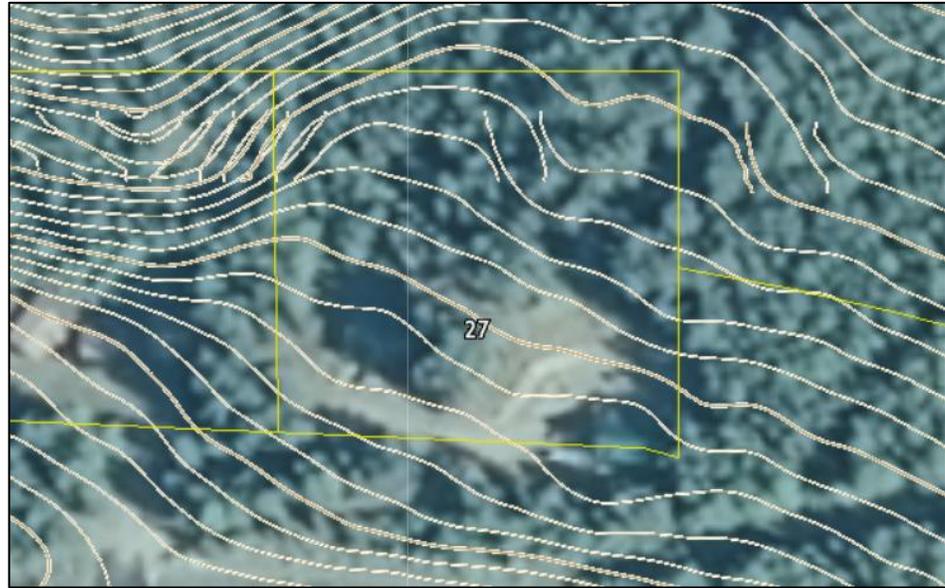
Visibility/Exposure: Sterling Highway

Traffic Count (2018): 3,476 (ADT) on Sterling Highway

Utilities: The site is served with electricity. Natural gas, public sewer and water are not available. The existing improvements have a private well and septic system. Water rights and a secondary water source is provided by a waterline from a spring northeast of the subject.

Topography: The site is primarily treed (cleared for the existing use), sloping upward from the Sterling Highway and above road grade. Several leveled benches have been established for the building pads and parking areas. See contour map on the following page.

**KPB Contour Map
(4' Interval):**



Soils / Wetlands:

The soils appear to be suitable for improved uses including on-site well and septic systems. The subject is located outside classified wetlands. (Source: National Wetlands Inventory Mapper).

Flood Plain:

The site is outside flood zones depicted by the FEMA flood rate map.



Seismic:

Most of south-central Alaska is classified in “seismic zone 4”. Permitting agencies typically recognize this zone in its application of the uniform building code.

**Easements/
Encumbrances:**

The title report provided lists the following easements:

- Reservation of an easement for highway purposes as disclosed by Public Land Order No. 601, dated August 10, 1949 and amended by Public Land Order No. 757, dated October 10, 1959; Public Land Order No. 1613, dated April 7, 1958; and Department of the Interior Order No. 2665, dated October 16, 1951, Amendment No. 1, thereto, dated July 17, 1952 and

Amendment No. 2, thereto, dated September 15, 1956, filed in the Federal Register.

- The effect of the notes which appear on the plat of said subdivision.
 - Notes on the plat are typical
- Easements as dedicated and shown on the plat of said subdivision.
 - A 10' wide Chugach Electricity Association Utility easement along the electrical service line (5' on each side) to lot 6A where it crosses lot 5A
- State of Alaska Water Rights, including terms and provisions thereof, Granted to B.J. Longeski and Jean L. Longeski
 - The plat indicates an 8' wide waterline easement bisects the northern portion of the lot.

Zoning/Public Restrictions: The subject is located within the boundaries of the Kenai Peninsula Borough (KPB) and city of Cooper Landing; however, the subject is outside of local option zoning and is un-zoned.

Private Restrictions: None-noted

Environmental: We are not aware of any environmental issues affecting the property.

Adjacent Properties: North: Vacant land- Chugach National Forest
South: Across Sterling Highway- Kenai Lake
East: Vacant land- Chugach National Forest
West: Improved residential- unzoned

Conclusion/Suitability The location is within the Cooper Landing city limits; however it is unzoned and unrestricted.

The subject is a square lot with adequate exposure to the Sterling Highway and direct access is adequate. The topography slopes upward however conditions appear to be favorable. The site is served with electricity, a private well, an on-site septic system and has a secondary spring-fed watersource.

Given these conditions/characteristics, the parcel is suitable for the predominant uses evident in the area, residential and/or seasonal recreation/ commercial uses.

IMPROVEMENT DESCRIPTION

The site is improved with a single-family residence reportedly constructed in 1959, a detached garage reportedly constructed in 2003 and various outbuildings. The following description is based on our on-site observations and measurements.



Key Features- Single Family Residence

Ground Level Gross Building Area- GBA*	770 SF
2nd Floor	446 SF
Basement/Crawl space	770 SF
Arctic Entry*	33 SF
Gross Living Area- GLA**	1,216 SF
Footprint	770 SF
Year Built	1959
Effective Age	20 years
Remaining Economic Life	±20 years

* These areas slightly differ from what is reported with the KPB (see Sketch). We relied on our on-site measurements.

**Excludes Basement and arctic entry SF



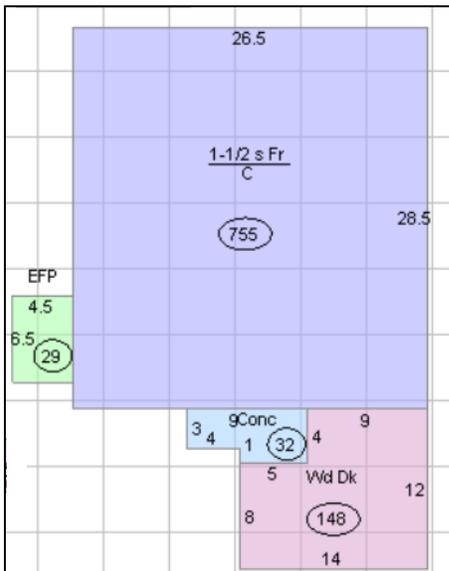
Key Features- Detached Garage

Ground Level Gross Building Area- GBA	915 SF
2nd Floor apartment	390 SF
Footprint	915 SF
GBA- 1st and 2nd Floor	1,305
Year Built	2003
Actual Age	17 years
Remaining Economic Life	±25 years

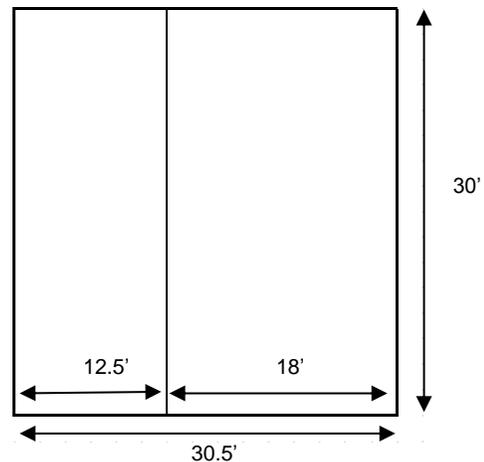
Overall Calculations

Site Area	42,689 SF
Site Coverage (Footprint ÷ Site Area)	3.95%
Land to Bldg. Ratio (Site Area ÷ GBA house and garage)	16.9 : 1

SKETCH- Residence (provided by KPB)



SKETCH- Detached Garage



RESIDENCE

- Foundation:** Concrete block with crawl-space/basement.
- Frame:** Wood-framed
- Exterior:** The exterior is painted T1-11. An arctic entryway is located on the western side of the building. The windows are set in vinyl frames.
- Roof:** Gabled metal roof.
- Subfloors:** Wood on wooden floor joists.
- Interior Finish:** Due to the COVID-19 pandemic, we did not inspect the interior of the building. The property owner provided photographs of the interior on the day of inspection. It is an *Extraordinary Assumption* of the report that the interior of the residence is in the same condition as indicated with the provided photographs and the information provided by the owner is correct.
- The structure is a 2-story, 3 bedroom, 2 bathroom house with a crawl-space. The property owner said the ceilings in the crawl-space are tall enough to stand in, but the space is not finished.
- The photographs provided by the property owner showed floor covering of wood and carpet, walls were covered with wood paneling, painted sheetrock and tile in the kitchen. The ceiling was covered with 1'x1' tiles on the first floor and painted sheetrock on the 2nd level. The ceiling tiles shown in the interior photos of the residence provided by the property owner appear to be 1'x1'. Older examples of this style of ceiling tile was known to contain asbestos. It is an *extraordinary assumption* of this report that the subject improvements do not contain asbestos.
- The counter and cabinets in the kitchen appear to be in average condition. Appliances include a refrigerator, stove and oven. The house also has a washer and dryer.
- Mechanical, Plumbing & Electrical:** Heat is provided by an oil-fired, unit heater (Toyo stove) and a woodstove. The water-heater and other mechanical systems are located in the crawlspace. Lighting from multiple fixtures appears to be adequate.
- The mechanical, plumbing and electrical systems appear to be adequate and commensurate with the overall quality of the building.
- Quality and Condition:** Despite the age, the structure appears to be well-maintained. The overall quality is average and the overall condition is average-plus given the actual age. The remaining economic life is ±20 years.

DETACHED GARAGE

- Foundation & Floor:** Concrete slab and posts.
- Frame:** Wood frame
- Exterior:** Portions sided with T1-11 while other walls are unfinished and covered with Tyvek housewrap. Access is from 2 man doors (1 front and 1 rear) and 1- 9' x 9' double-door opening. The 18' x 30' portion of the garage appears to be on a concrete slab while the 12.5' x 30' portion is on posts.
- Roof:** Gabled metal roof over the 2-story slab portion with a metal shed roof over the post foundation portion.
- Interior Finish:** Due to the COVID-19 pandemic, we did not inspect the interior of the building. The property owner did not provide photographs of the interior of this building. It is an Extraordinary Assumption of the report that the interior of this building is in average condition.
- We were able to photograph the interior of the 2nd floor studio apartment from the exterior window. The apartment has sheetrock walls that are not painted and carpeted flooring. The apartment has electricity and is heated with a unit heater. It does not have plumbing or a kitchen.
- Quality and Condition:** The quality and condition are characterized as average.

OUTBUILDINGS

Due to the COVID-19 pandemic, we did not inspect the interior of these structures.

Cabin:



- 240 SF (12' x 20')
- On skids
- Dry (no plumbing)
- Electrical power
- Metal roof
- Oil heat

Shed:



- 280 SF
- 14' x 20'
- On skids

Greenhouse/Shed:



- 40 SF
- 5' x 8'
- Poor condition

Woodshed:



- 286 SF
- 22' x 13'

Outhouse:



- 30 SF
- 5' x 6'

SUMMARY

The residence and garage structures appear to be sound and the remaining life is ±20 to 25 years. Given the highway-front location, probable buyers include resident-commercial users.

SPECIALITY ITEMS, FIXTURES, AND TENANT-OWNED IMPROVEMENTS

Fixtures are distinguished as part of the realty but none were observed.⁶ All furniture, trade fixtures, equipment and personal effects are movable personal property and excluded from the valuation.

Property Taxes

Tax ID Number: 11913-011

A three-year history of the assessed valuations are summarized in the following tables.

Value History			
Year	2020	2019	2018
Reason	Main Roll Certification	Main Roll Certification	Main Roll Certification
Land Assd	\$79,700	\$79,700	\$69,300
Imp Assd	\$140,900	\$156,100	\$145,000
Total Assd	\$220,600	\$235,800	\$214,300

The property is appraised as free and clear.

⁶ An article that was once personal property but has since been installed or attached to the land or building in a rather permanent manner so that it is regarded in law as part of the real estate. Appraisal Institute, *The Dictionary of Real Estate Appraisal*; 4th Edition

Attached improvements that can be real or personal property. If attached to the realty in such a manner that its removal would damage the real property or fixture, the fixture is realty. If the fixture is removable without damage, it is generally considered personal property. (IAAO)

An item of equipment that, because of the way it is used, the way it is attached, or both, has become an integral part of a building or other improvement. A fixture, such as a bathtub, is classified as real property, but trade fixtures (fixtures used in the conduct of business) are classified as personal property. (IAAO)

FIVE YEAR SALE HISTORY

Sales of the subject must be reported and analyzed as comparable data. The appraiser must include sales that occur subsequent to the title search. Include "arms-length" sales of the subject in the comparable data section.

Property History: There have been no sales of the subject in the last five years.

SALES of the SUBJECT: (If no transaction within last 5 years, check NONE)

DATE OF SALE: SALE PRICE:

TERMS:

DATE RECORDED: INSTRUMENT:

GRANTOR: DOCUMENT YEAR:

GRANTEE: DOCUMENT NO:

INTERVIEWED: DATE CONFIRMED:

COMMENTS:

Date: June 2, 2020

Verified By: Brian Bethard, MAI

PART IV – ANALYSIS OF DATA AND CONCLUSIONS

MARKET ANALYSIS

The Appraisal Institute recognizes two categories of market analysis: inferred and fundamental. Given the property type and stable market conditions, an *inferred demand* analysis is appropriate. Demand is inferred from general market conditions and the data selected for direct comparison.

GENERAL CONDITIONS

Population Trend

Historic population data is summarized in the following table:

	<u>*1990</u>	<u>*2000</u>	<u>*2010</u>	<u>**2018</u>	<u>%Δ over 28 years</u>
Kenai Peninsula Borough	40,802	49,691	55,400	58,471	43%
• Soldotna	3,482	3,759	4,163	4,327	24%
• Sterling	3,802	4,705	5,617	6,071	60%
• Cooper Landing	243	369	289	265	9%

* U. S. Census

** Alaska Department of Labor Estimates

Residential Housing Market

Current market conditions are inferred from the Multiple Listing Service (MLS). The MLS data in the following table shows a 10-year history of Seward to Cooper Landing (subject's district) for existing and new construction housing transactions. The overall rate of sale price changes has increased slightly in the last few years as noted on the following table.

10-year Comparison Report

Property Type: Residential

Area: 365 - Seward - Cooper Landing

Construction Type: Existing and New Construction

Year	# Sold	Avg. List Price	% List Price Change	Avg. Sold Price	% Sold Price Change	Avg. DOM
2010	34	\$246,155	NA	\$231,022	NA	124
2011	44	\$213,572	-13.24%	\$203,922	-11.73%	165
2012	25	\$196,674	-7.91%	\$187,036	-8.28%	181
2013	50	\$202,019	2.72%	\$195,599	4.58%	166
2014	46	\$220,058	8.93%	\$211,706	8.23%	146
2015	46	\$257,256	16.90%	\$247,816	17.06%	124
2016	59	\$253,717	-1.38%	\$245,104	-1.09%	90
2017	52	\$266,604	5.08%	\$255,817	4.37%	75
2018	41	\$273,948	2.75%	\$265,256	3.69%	92
2019	48	\$294,810	7.62%	\$287,193	8.27%	77

Land

Cooper-Landing closed sales reported by the MLS are identified in the following table.

MLS #	Location	Amenities	Date	Price	AC	DOM
19-8756	20155 Sterling Hwy	Kenai Lakefront	10-19	\$275,000	1.20	129
17-5903	L22, Slaughter Ridge Rd	Non-waterfront	6-17	\$125,000	5.68	66
15-2677	L34, Langille Road	Non-waterfront	11-15	\$165,000	4.24	254
13-13432	L2/17571 Bean Creek Rd	Non-waterfront	8-13	\$74,900	0.92	0
12-8838	16958 Sterling Hwy	Non-waterfront	6-12	\$170,000	0.88	0
12-1737	L36, Langille Rd	Non-waterfront	2-12	\$125,000	4.20	7
10-4442	L37, Langille Rd	Non-waterfront	9-10	\$180,000	3.87	173

All are accessed by maintained roads and electricity is available. Five of the six non-waterfront properties reflect prices from \$125,000 to \$180,000.

COVID-19

The Covid-19 Pandemic is the current wildcard and concerns of a national recession or depression are likely going to impact the market. Low oil prices and lack of tourism will specifically soften the Alaska economy. At this time the magnitude is unknown and the market remains cautious.

SUMMARY

Limited availability of improved properties and high replacement costs favor existing residential supply. Market exposure times average less than one year and terms are typically cash (or equivalent).

HIGHEST AND BEST USE

DETERMINATION OF THE LARGER PARCEL

The project parcel identified (14) is the larger parcel. (see: Identification of the Property; Determination of the Larger Parcel).

HIGHEST AND BEST USE

Highest and Best Use is defined in the 14th Edition of the *Appraisal of Real Estate*, Appraisal Institute, as “the reasonably probable use that results in the highest value.”

“AS VACANT”

Possible Uses

Access and exposure are adequate from the Sterling Highway. The soils are favorable and the site is served with electricity and natural gas. An on-site well and septic system are typical for the area and the lot is served with secondary water from a spring. The topography slopes up from the Sterling Highway, however, the house, garage and parking pad are on a level area.

Permissible Use

Legal restrictions, as they apply to the subject, include public restrictions (zoning), private restrictions (conditions, covenants, & restrictions [CCR's), plat notes, and easements.

Public Restrictions

While the parcel is located in Cooper Landing it is un-zoned. Applicable KPB land use regulations are typical.

Private Restrictions

No private restrictions noted.

Easements

Waterline and electrical easements bisect the lot; however, they have been incorporated into an overall site plan and do not hinder use.

Plat Notes

Plat notes are typical and do not hinder use.

Suitability for the predominant uses along the highway corridor including residential and commercial users.

Feasible Use

The feasibility of the uses identified is evidenced by an active market for sites.

Maximally Productive Use

Absent competing financially feasible uses, the highest and best use is for conforming residential or commercial development.

Most Probable Buyer – As Vacant

The most probable buyer is an owner-user.

AS-IMPROVED

The residence and garage appear to be sound and the outbuildings are useful amenities. The property is suitable for a continuation of the existing use or adaptable to a resident-commercial use. I am not aware of any financially feasible alternative that justifies removal. In summary, the highest and best use as-improved is “as-is”.

Most Probable Buyer – As Improved

The most probable buyer is an owner occupant.

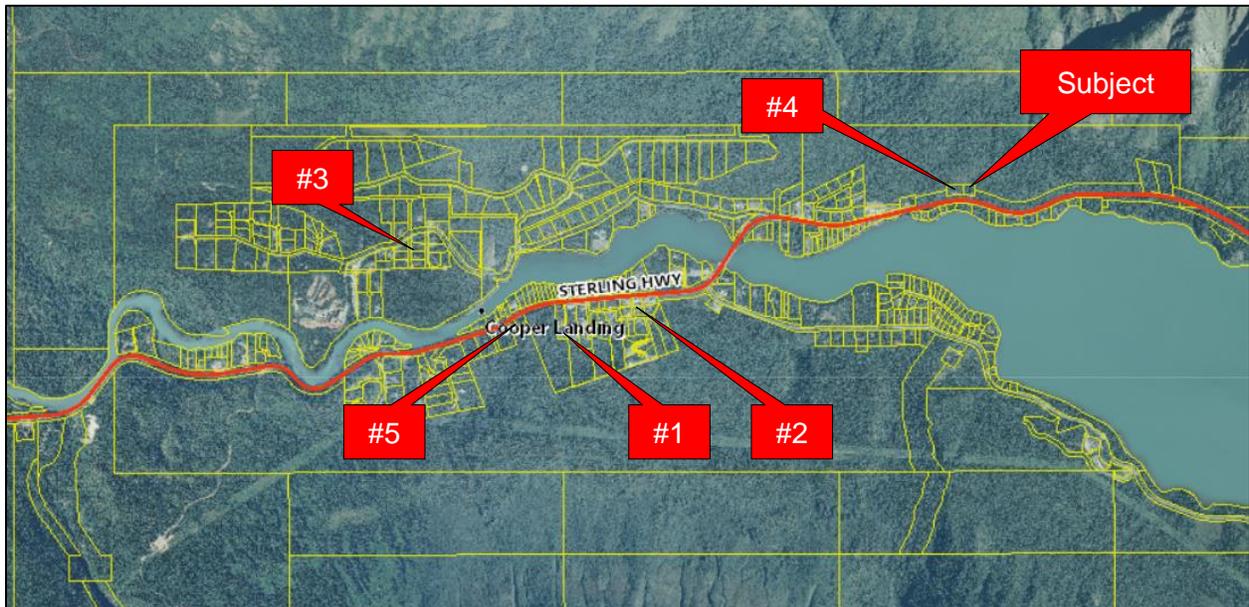
SALES COMPARISON APPROACH

In the sales comparison approach, an opinion of market value is developed by analyzing similar properties that have recently sold, are listed for sale, or are under contract and comparing them with the subject property.⁷ The properties are typically evaluated in terms of a physical unit of comparison (e.g., “price per square foot”, “price per unit”) and correlated by adjusting for various inequalities.

SUMMARY OF IMPROVED PROPERTY SALES

Sales of generally similar properties in Cooper Landing are summarized in the following table and identified on the map. There are limited sales in the immediate market area. We recognize that some of the sales are dated, but consider the data analyzed as the best data available.

No.	Address/Location	Status	Date	\$	GLA (SF)
<i>Subj.</i>	19906 Sterling Highway	-----	-----	-----	1,216
1	18231 Sterling Highway	Sold	11-19	\$350,000	2,532
2	35120 Edwards Street	Sold	9-18	\$395,000	2,772
3	35342 Ptarmigan Place	Sold	3-16	\$280,000	1,800
4	19852 Sterling Highway	Sold	2-16	\$350,000	1,776
5	18067 Sterling Highway	Sold	4-15	\$309,000	1,380



⁷ The Appraisal of Real Estate, 13th Edition, Appraisal Institute (2001) p. 417

DESCRIPTION OF THE COMPARABLES

The comparables are identified in the previous table and on the map. The property characteristics are summarized in the following comparison grid. Details are presented in the Addenda.

CORRELATION (EXPLANATION OF THE ADJUSTMENTS)

All of the comparables reflect arm’s length sales/acquisitions of the fee simple interest (except where noted). Atypical motivations, if any, are recognized in the reconciliation. The indicated values are already adjusted to a cash equivalent value (if required) and for expenditures immediately after purchase (e.g. demolition or the cost-to-cure known defects/deficiencies).

Quantitative Adjustments

Market Conditions

Market conditions have been generally stable over the time period bracketed by the comparables and the date of valuation. I made no quantitative adjustment.

Other Adjustments

For other adjustments there are generally too many inequalities to isolate adjustments from paired sales. Therefore, I surveyed several residential appraisers to find what is typical of the market. The market is not precise and adjustments are subjective, but the following ranges appear reasonable.

Adjustments	Jackie Dooley	Jonathan Severson	Nolan Smith
Above grade SF	\$35/SF	\$35-\$40/SF	\$35-\$40/SF
Bsmt SF (finished)	\$15-\$20/SF	\$25-\$30/SF	---
Bath	\$3,000/ half bath \$4,000/ full bath	\$5,000/ half bath \$10,000/ full bath	\$3,000/ half bath \$4,000/ full bath
Garage	\$6,000/stall	\$10,000	\$10,000- \$15,000/stall
Effective Age	\$500-\$1,000/year	\$500/year	\$1,000/year

Above Grade SF: Three of the five comparables used in this analysis closely approximate the subject size. An adjustment of \$35/SF will be made for above grade square footage

Basement SF: Comparable #2 has a finished basement, I adjusted at \$20/SF for this area.

Bath: For this analysis, I adjusted for baths at \$6,000 for full baths and \$3,000 for half-baths.

Garage: The subject has a second level apartment above the garage and the upper-end of the range is reasonable, I adjusted for garages at \$15,000 per stall. Comparable #4 has a good quality 2-car carport. This comparable is adjusted \$15,000.

Effective Age: For this analysis, I adjusted for differences in effective age at \$1,000 per year.

Lot Size/Location: The subject site contains a net area of 42,689 SF. The comparison lots bracket this size and range from 34,848 to 60,948 SF. Differences in size and location are considered subjective based on the appraiser’s judgment.

Comparables #1, #2 & #5 are located on the southside of the lake and the location is slightly inferior for sun exposure. Comparables #1 & #5 are larger than the subject and size is considered to off-set location. No adjustment is applied. Comparable #2 is a smaller lot and an upward \$10,000 adjustment is reasonable. Comparable #3 is similar in size but the location is inferior and it has been adjusted upwards by \$10,000. Comparable #4 is similar in location but is adjusted downward \$10,000 for its larger size.

Condition: The subject is in overall average condition while comp. #1 and #5 are in above average condition. These comparables are subjectively adjusted \$10,000 for the superior condition.

Attachments and Outbuildings: An adjustment for outbuildings ranges from \$5,000 to \$20,000 depending on the type and quality of the structures.⁸

COMPARATIVE ANALYSIS

I correlated the comparables in the following *relative comparison analysis* grid. An overall net adjustment (<, >, ±) is applied to develop value indicators on the bottom line.

⁸ Jonathon Severson: 907-240-8397

COMPARISON GRID

FEATURE	SUBJECT			Comparable No. 1			Comparable No. 2			Comparable No. 3			Comparable No. 4			Comparable No. 5																	
Address	19906 Sterling Highway			18231 Sterling Highway			35120 Edwards Street			35342 Ptarmigan Place			19852 Sterling Highway			18067 Sterling Highway																	
	Cooper Landing, Alaska			Cooper Landing, Alaska			Cooper Landing, Alaska			Cooper Landing, Alaska			Cooper Landing, Alaska			Cooper Landing, Alaska																	
Sales Price	NA			350,000			395,000			280,000			350,000			309,000																	
Price/GLA	NA			\$138.23			\$142.50			\$155.56			\$197.07			\$223.91																	
Data Source(s)	Inspection			MLS			MLS			MLS			MLS			MLS																	
Verification Source(s)	Owner			Agent and recorded docs			Agent and recorded docs			Agent and recorded docs			Agent and recorded docs			Agent and recorded docs																	
VALUE ADJ.	DESCRIPTION			DESCRIPTION			(+/-) \$ Adj			DESCRIPTION			(+/-) \$ Adj			DESCRIPTION			(+/-) \$ Adj														
Sales or Financing Concessions	NA			Cash			Undisclosed			FHA			VA			Cash																	
Date of Sale/Time	6-20 DOV			Nov. 2019			228 days			Sept. 2018			34 days			Mar. 2016			13 days			Feb. 2016			0 days			Apr. 2015			7 days		
Location	Average			Average			Average			Inferior			\$10,000			Average			Average														
Area (SF)	42,689 SF			60,984 SF						34,848 SF			\$10,000			43,560 SF			60,548 SF			(\$10,000)			47,916 SF								
View	Limited view			Mountains						Limited view						Limited view			Limited view			Limited view											
Design (Style)	2-story traditional w/crawl space			2-story traditional						2-story w/loft and basement						2-story log			2-story log w/ additions						2-story traditional								
Quality of Construction	Average/ CC foundation			Average/ Post foundation			\$10,000			Average/ CC foundation						Average/ CC foundation			Average / Wood and CC foundation			\$10,000			Average/ Post foundation			\$10,000					
Age/ Effective Age	61/ 20 years			19/ 10 years			(\$10,000)			35/ 15 years			(\$5,000)			40/ 20 years						76/ 20 years						34/ 15 years			(\$5,000)		
Condition	Average			Average +			(\$10,000)			Average						Average						Average						Average +			(\$10,000)		
Above Grade	Total	BR	Baths	Total	BR	Baths		Total	BR	Baths		Total	BR	Baths		Total	BR	Baths		Total	BR	Baths		Total	BR	Baths		Total	BR	Baths			
Room Count	8	3	2	8	3	2.5	(\$3,000)	8	3	3	(\$6,000)	7	2	1.5	\$3,000	8	3	2		8	3	2		7	2	1.5	\$3,000						
Gross Living Area	1,216 SF			2,532 SF			(\$46,060)			2,149 SF			(\$32,655)			1,800 SF			(\$20,440)			1,776 SF			(\$19,600)			1,380 SF			(\$5,740)		
Basement & Finished	0 SF			0 SF						573 SF			(\$11,460)			0 SF						0 SF						0 SF					
Rooms Below Grade	0			N/A						Den						N/A						N/A						N/A					
Functional Utility	Average			Average						Average						Average						Average						Average					
Heating/Cooling	Oil unit heater and woodstove			Oil unit heater and woodstove						Oil unit heater and woodstove						Oil, propane, woodstove						Oil, Electric, Woodstove						Propane, Electric, Woodstove					
Energy Efficient Items	No adjustment			No adjustment						No adjustment						No adjustment						No adjustment						No adjustment					
Garage	2-car detached/ w/apart.			1-car attached			\$15,000			1-car attached			\$15,000			1-car detached			\$15,000			2-car carport			\$15,000			2-car detached					
Attachments & outbuildings	Guest cabin, Greenhouse, Shed, Woodshed			Greenhouse, Hot Tub, Woodshed, Play Fort			\$10,000			None			\$20,000			Fuel shed			\$20,000			Carport w/guest quarters, guest cabin						Guest cabin, office above garage			\$5,000		
Porch, Patio, Deck, Ret Wall	Deck, fire pit			Deck, hot tub						Deck						Deck						Covered deck						Deck, fire-pit					
Other	None			N/A						Sold w/ furnishings*						N/A						N/A						N/A					
Net Adj. (total)	NA			(\$34,060)						(\$10,115)						\$27,560						(\$4,600)						(\$2,740)					
Indicated Value (rnd)	NA			\$315,940						\$384,885						\$307,560						\$345,400						\$306,260					

*No value given

SUMMARY

The data generates an adjusted range from \$306,260 to \$384,885, with an average of ±\$332,000.

Giving weight to Comparable #4, (\$345,400) which is located adjacent to the subject, while recognizing that this is a dated sale, market value is estimated at **\$350,000**.

SUMMARY – MARKET VALUE OF THE ACQUISITION

1.	Land acquired (fee interests)	\$0
2.	+ Improvements acquired	\$0
3.	+ Net damages	\$0
4.	+Cost-to-cure	\$0
5.	+Permits acquired (TCP)	\$0
6.	+Easements acquired	\$0
7.	+PLO or section line easements acquired	\$0
8.	+Any other interests acquired (TCE)	\$0
9.	Total Market Value of Acquisition	\$350,000

ADDENDA

OPPORTUNITY TO ACCOMPANY THE APPRAISER

The property owners, Todd and Michelle Donahue, met with us on the day of inspection, June 2, 2020. Due to COVID-19 concerns, we did not personally hand them an opportunity to accompany form to sign. The form was email to their email address, akstreamers@aol.com; however, a signed copy was not returned.

TITLE REPORT

 First American Commitment	ALTA Commitment for Title Insurance ISSUED BY First American Title Insurance Company File No: 0227-3433532
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COMMITMENT FOR TITLE INSURANCE

Issued By

FIRST AMERICAN TITLE INSURANCE COMPANY

NOTICE

IMPORTANT-READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and the Commitment Conditions, **First American Title Insurance Company**, a Nebraska Corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

If all of the Schedule B, Part I-Requirements have not been met within six months after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

First American Title Insurance Company



Dennis J. Gilmore
President



Jeffrey S. Robinson
Secretary

If this jacket was created electronically, it constitutes an original document.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions.

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COMMITMENT CONDITIONS

1. DEFINITIONS

- (a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
- (b) "Land": The land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
- (c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
- (d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
- (e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
- (f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
- (g) "Public Records": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
- (h) "Title": The estate or interest described in Schedule A.

2. If all of the Schedule B, Part I—Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

- (a) the Notice;
- (b) the Commitment to Issue Policy;
- (c) the Commitment Conditions;
- (d) Schedule A;
- (e) Schedule B, Part I—Requirements; and
- (f) Schedule B, Part II—Exceptions.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.

5. LIMITATIONS OF LIABILITY

- (a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
 - (i) comply with the Schedule B, Part I—Requirements;
 - (ii) eliminate, with the Company's written consent, any Schedule B, Part II—Exceptions; or
 - (iii) acquire the Title or create the Mortgage covered by this Commitment.
- (b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- (c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
- (d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
- (e) The Company shall not be liable for the content of the Transaction Identification Data, if any.
- (f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I—Requirements have been met to the satisfaction of the Company.
- (g) In any event, the Company's liability is limited by the terms and provisions of the Policy.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions.

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Form 50003700 (8-23-18)	Page 2 of 10	ALTA Commitment for Title Insurance (8-1-16) Alaska
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6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT

- (a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- (b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.
- (c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
- (d) The deletion or modification of any Schedule B, Part II—Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
- (e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
- (f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.

8. PRO-FORMA POLICY

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

9. ARBITRATION

The Policy contains an arbitration clause. All arbitrable matters when the Proposed Policy Amount is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.

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 First American Schedule A	ALTA Commitment for Title Insurance ISSUED BY First American Title Insurance Company File No: 0227-3433532
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Transaction Identification Data for reference only:

Issuing Agent: First American Title Insurance Company

Issuing Office: PO Box 469 / 500 Adams St, Ste 100,
Seward, AK 99664

Issuing Office's ALTA® Registry ID:

Issuing Office File No.: 0227-3433532

Commitment No.: 0227-3433532

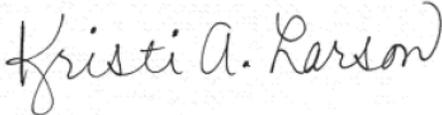
Property Address: 19906 Sterling Hwy, Cooper Landing, AK
99572

Revision No.: NUMBER ONE

SCHEDULE A

1. Commitment Date: March 18, 2020 8:00 AM
2. Policy (or Policies) to be issued:
 - (a) 2006 ALTA® Standard Owner's Policy
Proposed Insured: State of Alaska, Department of Transportation & Public Facilities
Proposed Policy Amount: \$TBD Premium: \$TBD
Tabulation of Sales \$100.00
3. The estate or interest in the Land described or referred to in this Commitment is
Fee Simple
4. The Title is, at the Commitment Date, vested in:
TODD J. DONAHUE and MICHELLE DONAHUE, husband and wife
5. The Land is described as follows:
**Lot 6A, ALASKA STATE LAND SURVEY NO. 79-211, according to the official plat thereof,
filed under Plat Number 81-1, Records of the Seward Recording District, Third Judicial
District, State of Alaska.**

First American Title Insurance Company



Kristi A. Larson, Title Officer

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 First American Schedule BI & BII	ALTA Commitment for Title Insurance ISSUED BY First American Title Insurance Company File No: 0227-3433532
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SCHEDULE B, PART I
Requirements

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
5. Releases(s) or Reconveyance(s) of Item(s):
6.
 1. If any document in the completion of this transaction is to be executed by an attorney-in-fact, the contemplated Power of Attorney form should be submitted for review prior to closing.
 2. The State of Alaska, Division of Insurance has issued its Order R92-1. The order in part, requires the immediate billing and collection of the minimum charge for this Commitment within 30 days of the first billing. In the event this transaction fails to close, the minimum billing will be the cancellation fee in accordance with our filed rate schedule.

NOTICE

In 1999, the Alaska Department of Natural Resources began recording maps of claimed rights of way which may have been created under a federal law known as "RS 2477", pursuant to Alaska Statute 19.30.400. Because the maps are imprecise, the exception from coverage shown on Section 2, Part 1, Paragraph 4 has been taken. Questions regarding the State's RS 2477 claims should be directed to the Department of Natural Resources. Public Information Center 550 W. 7th Avenue, Suite 1260, Anchorage, Alaska 99501 (907) 269-8400.

NOTICE

The attached plat, if any, is furnished as a courtesy only by First American Title Insurance Company, and is not part of Commitment or the Policy.

The plat is furnished solely for the purpose of assisting in locating the Land and does not purport to show all highways, roads or easements affecting the Land. No reliance should be placed upon this plat for location or dimensions of the Land and no liability is assumed for the correctness thereof.

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 Schedule BI & BII (Cont.)	ALTA Commitment for Title Insurance
	ISSUED BY First American Title Insurance Company File No: 0227-3433532

SCHEDULE B, PART II

Exceptions

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I-Requirements are met.
2. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records.
3. Any facts, rights, interests, or claims which are not shown by the Public Records but which could be ascertained by an inspection of the Land or by making inquiry of persons in possession thereof.
4. Easements, claims of easement or encumbrances which are not shown by the Public Records.
5. Rights of the state or federal government and/or the public in and to any portion of the Land for right of way as established by Federal Statute RS2477 (whether or not such rights are shown by recordings of maps in the Public Records by the State of Alaska showing the general location of these rights of way.)
6. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the Public Records.
7. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
8. Any lien, or right to a lien, for services, labor or materials or medical assistance heretofore or hereafter furnished, imposed by law and not shown by the Public Records.

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- 9. Reservations or exceptions in United States Patent.
 Recorded: February 27, 1984
 Recording Information: Book 32 at Page 516

- 10. Reservations or exceptions in State of Alaska Patent.
 Recorded: June 30, 1091
 Recording Information: Book 23 at Page 545

Said patent, among other things, reserves all oil, gas and other minerals together with the privileges, mining and drilling rights and immunities.

- 11. Taxes and/or Assessments due The Kenai Peninsula Borough for the year 2020, are a lien, but levy therefore has not been made.

NOTE: Taxes due The Kenai Peninsula Borough for the year 2019 are PAID IN FULL:

Parcel No.: 119-130-11
 Total Amount: \$1,133.38
 Land Valuation: \$79,700.00
 Improvements: \$140,900.00
 Tax Code Area: 67

NOTE: Possible liability for additional general taxes for the current and/or prior years in the event the exemption applied is not applicable to the present ownership of said premises.

- 12. Reservation of an easement for highway purposes as disclosed by Public Land Order No. 601, dated August 10, 1949 and amended by Public Land Order No. 757, dated October 10, 1959; Public Land Order No. 1613, dated April 7, 1958; and Department of the Interior Order No. 2665, dated October 16, 1951, Amendment No. 1, thereto, dated July 17, 1952 and Amendment No. 2, thereto, dated September 15, 1956, filed in the Federal Register.

- 13. The effect of the notes which appear on the plat of said subdivision. (Copy attached)

- 14. Easements as dedicated and shown on the plat of said subdivision. (Copy attached)

- 15. State of Alaska Water Rights, including terms and provisions thereof,
 Granted To: B.J. LONGESKI and JEAN L. LONGESKI
 Recorded: August 8, 1983
 Recording Information: Book 30 at Page 190

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- 16. Deed of Trust and the terms and conditions thereof.
Grantor/Trustor: TODD J. DONAHUE and MICHELLE DONAHUE, husband and wife
Grantee/Beneficiary: SOUTHCENTRAL TITLE AGENCY
Trustee: WELLS FARGO BANK, N.A.
Amount: \$100,000.00
Dated: August 3, 2006
Recorded: August 8, 2006
Recording Information: Serial No. 2006-001154-0

- 17. Deed of Trust and the terms and conditions thereof.
Grantor/Trustor: TODD J. DONAHUE and MICHELLE DONAHUE, husband and wife
Grantee/Beneficiary: NORTHERN SKIES FEDERAL CREDIT UNION
Trustee: FIRST AMERICAN TITLE COMPANY
Amount: \$100,000.00
Dated: June 7, 2019
Recorded: June 26, 2019
Recording Information: Serial No. 2019-000621-0

Note: This Deed of Trust contains Line of Credit privileges. If the current balance owing on said obligation is to be paid in full in the forthcoming transaction, confirmation should be made that the beneficiary will issue a proper request for full reconveyance.

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Comparable Write-Ups

Comparable #1

Address: 18231 Sterling Highway					
	Listing #	19-4693	Price-List	\$ 380,000	
	Status	Closed	Near	Cooper Landing	
	Zip Code	99572	Type	Residential	
	Bedrooms	3	Baths	2.50	
	SF-Res	2,532	Carport #	0	
	Garage #	1	Latitude	60.489062	
	Longitude	-149.825574	Unit #		
	Year Built	2001	MLS Area: 365 - Seward - Cooper Landing		
	Borough/Census Area: 1B - Kenai Peninsula Borough				
	Region: 1 - Southcentral Alaska Region				
Zoning: UNK - Unknown					
School-Elementary	Cooper Landing	School-Middle	Cooper Landing	School-High	Seward
SF-Lot	60,984	Acres	1.40	Lot Area Source	Tax Authority
SF-Res	2,532	SF-Gar	328	Building Area Source	Tax Authority
Tax ID	11926026	Taxes (Estimated)		Tax Year	
Year Built	2001	Year Remodeled		Year Updated	2016
Construction Status	Existing Structure	Foreclosure/Bank Own	No	Short Sale	No
List Price/SqFt	150.08	Sold Price/SqFt	138.23	Remote Description	
Directions: Sterling Highway to Cooper Landing to Mile 48. Right at the Hutch B&B to end of drive. See Sign Posted.					
Legal: Winkler Property L2					
Public Remarks: Looking for that Cooper Landing getaway? You have found it! Located in the center of Cooper Landing. Enjoy the breathtaking mountain views from your living room, deck or both! Easy access just off the Sterling Hwy. Granite countertops in the kitchen, and the master is on the 1st floor! Mud room off the oversized 1 car garage. Large deck with Hot Tub to entertain your guests! Greenhouse 2 Toyo stoves & radiant fireplace to keep you warm all winter long.					
Residential Type: Single Family Res		Heat Type: Kerosene/Oil Heater; Other - See Remarks		Wtrfrnt-Access Near: None	
Construction Type: Wood Frame - 2x6		Fuel Type: Oil; Wood		To Show: Appointment Only; Call Listing Licensee; Lockbox-Combo	
Exterior Finish: Wood		Sewer Type: Septic Tank		Contract Particulars: For Sale Sign Posted	
Roof Type: Metal		Water-Type: Well		New Finance	
Foundation Type: Other; Sono Tubes		Dining Room Type: Area		(Terms): Cash; Conventional; FHA	
Floor Style: Cabin; Two-Story Tradtnl		Access Type: Dedicated Road		Mortgage Info: EM Minimum Deposit: 5,000	
Garage Type: Attached		View Type: Mountains		Docs Avl for Review: Docs Posted on MLS	
Carport Type: None		Topography: Sloping			
		Wtrfrnt-Frontage: None			
Features-Interior: Arctic Entry; BR/BA on Main Level; Ceiling Fan(s); CO Detector(s); Den &/Or Office; Dishwasher; Electric; Fireplace; Gas Cooktop; Microwave (B/I); Range/Oven; Refrigerator; Smoke Detector(s); Vaulted Ceiling; Washer &/Or Dryer; Water Softener; Window Coverings; Wired Audio; Wood Stove; Granite Counters					
Flooring: Carpet; Hardwood Flooring					
Features-Additional: Private Yard; Deck/Patio; DSL/Cable Available; Fire Service Area; Garage Door Opener; Greenhouse; Hot Tub; Landscaping; Satellite Dish; View					
Date-Listing	04/02/2019	Start Showing Date		Date-Expiration	
Agent Days On Market	228	Price-Original List	\$ 399,500	Price-Sale	\$ 350,000
Date-Closing	12/06/2019	Date-Pending	11/21/2019	Date-Back on Market	
Date-Status Change	12/09/2019	Date-Canceled		Date-Withdrawn	
Commission to SO	2.50	Commission Type	%	Financing Type Sold	Cash
Contract Type	Exclusive Right With Exception	Sellers Name		Contact Name	Matt McKinley
Contact Phone #	907-953-6288	LO Cntrl #			
LL1: Matthew A McKinley (907) 262-8855 (907) 953-6288 Fax: (907) 262-8853			SL1: Matthew A McKinley (907) 262-8855 (907) 953-6288		
LO: Redoubt Realty			SO: Redoubt Realty (907) 262-8855		

Book, Page	Grantor/ Grantee
2019-001286-0	Philip and Brenda Bray/ Adam Clay

Ryan McGillivray confirmed the sale with real estate agent Matthew McKinley on June 5, 2020. Mr. McKinley said the home was in great shape. He said the property was initially listed at a higher price from the property owner's insistence. When the price was eventually reduced he said they had multiple offers and ended up going with the cash offer.

Comparable #2

Address: 35120 Edwards Street			
 <p style="font-size: small; text-align: center;">©2018 COPYRIGHT</p>	Listing # 18-13157 Status Closed Zip Code 99572 Bedrooms 3 SF-Res 2,772 Garage # 1 Longitude -149.819480 Year Built 1985	Price-List \$ 399,000 Near Cooper Landing Type Residential Baths 3.00 Carport # 0 Latitude 60.489371 Unit #	
	MLS Area: 365 - Seward - Cooper Landing Borough/Census Area: 1B - Kenai Peninsula Borough Region: 1 - Southcentral Alaska Region Zoning: UNZ - Not Zoned		
School-Elementary Cooper Landing SF-Lot 34,848 SF-Res 2,772 Tax ID 11926023 Year Built 1985 Construction Status Existing Structure List Price/SqFt 143.94	School-Middle Cooper Landing Acres 0.80 SF-Gar 620 Taxes (Estimated) \$ 342.22 Year Remodeled Foreclosure/Bank Own No Sold Price/SqFt 142.50	School-High Cooper Landing Lot Area Source Tax Authority Building Area Source Owner/Builder Tax Year 2018 Year Updated Short Sale No Remote Description	
Directions: In Cooper Landing turn onto Edwards street right between the Grocery Store and the Motel. Between MP48 and MP49. First house on the left behind the grocery store. See sign. Legal: Towle #6 L2 B2 Public Remarks: Amazing location on .80 acres. Relatively Flat property offering up so much potential. Home is over 2700 SF with 3 bed, 3 baths and a bonus basement room. 1 car garage is attached. This is a rarity in Cooper Landing and won't last long! Comes mostly furnished - perfect fishing cabin! River & lake access within walking distance!			
Residential Type: Single Family Res Construction Type: Wood Frame - 2x4 Exterior Finish: Wood Roof Type: Metal Foundation Type: Block Miscellaneous: Basement Status: Finished Floor Style: Cabin; Tri-Level Garage Type: Attached; Tuck Under Carport Type: None	Heat Type: Baseboard Fuel Type: Oil Sewer Type: Septic Tank Water-Type: Private Dining Room Type: Breakfast Nook/Bar Access Type: Maintained; Government View Type: Partial Topography: Gently Rolling; Level Wtrfrnt-Frontage: None	Wtrfrnt-Access Near: Creek; Lake; River To Show: Appointment Only; Call Listing Licensee; Lockbox-Combo Contract Particulars: For Sale Sign Posted New Finance (Terms): AHFC; Cash; Conventional; FHA; VA Mortgage Info: EM Minimum Deposit: 4,000 Docs Avl for Review: CC&R's; Docs Posted on MLS; Prop Discl Available	
Features-Interior: Basement; Ceiling Fan(s); CO Detector(s); Den &/Or Office; Dishwasher; Electric; Family Room; Microwave (B/I); Range/Oven; Refrigerator; Smoke Detector(s); Telephone; Trash Compactor; Vaulted Ceiling; Washer &/Or Dryer; Washr&/Or Dryer Hkup; Water Softener; Window Coverings; Wood Stove Flooring: Carpet Features-Additional: Private Yard; Covenant/Restriction; Deck/Patio; DSL/Cable Available; Fire Service Area; Lot-Corner; Road Service Area; Satellite Components; Waterfront Access			
Date-Listing 07/31/2018 Agent Days On Market 34 Date-Closing 11/09/2018 Date-Status Change 11/10/2018 Commission to SO 3.00 Contract Type Exclusive Right To Sell Contact Phone # 907-830-1069 Amt-SlrPdByrClsgCost 0.00	Start Showing Date Price-Original List \$ 405,000 Date-Pending 09/03/2018 Date-Canceled Commission Type % Sellers Name Lemieux LO Cntrl #	Date-Expiration Price-Sale \$ 395,000 Date-Back on Market Date-Withdrawn Financing Type Sold VA Contact Name Natalia ByrClsgCostsPd by Slr None	
LL1: Natalia Aulenbacher (907) 830-1069 (907) 830-1069 Fax: (907) 262-7166 LO: Century 21 Realty Solutions Freedom Branch		SL1: Natalia Aulenbacher (907) 830-1069 (907) 830-1069 SO: Century 21 Realty Solutions Freedom Branch (907) 262-1770	

Book, Page	Grantor/ Grantee
2018-001164-0	The Nicholas M Lemieux Trust/ Carl Ruland Jr.

Ryan McGillivray confirmed the sale with real estate agent Natalia Aulenbacher by email on June 5, 2020. Ms. Aulenbacher wrote, 'Yes it sold with a VA loan. NO, it was a good indicator of the market - the only other home that was listed #18-769, was priced at \$425,000 which was too high (Comparable #1) - had they been priced under \$400K they might have sold same year - instead they sold for the following year for \$350,000. The furnishings were included for the price - there was no value placed for them as the bill of sale states. It was an estate sale and the kids lived out of state and it was easier for them to leave the furnishings - not a whole lot really and all of it was very old.'

Comparable #3

Address: 35342 Ptarmigan Place					
	Listing #	16-2938	Price-List	\$ 290,000	
	Status	Closed	Near	Cooper Landing	
Zip Code	99572	Type	Residential		
Bedrooms	2	Baths	1.75		
SF-Res	1,800	Carport #	0		
Garage #	1	Latitude	60.492311		
Longitude	-149.842964	Unit #			
Year Built	1980				
MLS Area: 365 - Seward - Cooper Landing					
Borough/Census Area: 1B - Kenai Peninsula Borough					
Region: 1 - Southcentral Alaska Region					
Zoning: UNK - Unknown					
School-Elementary	Cooper Landing	School-Middle	BTV-Undiscl by LL	School-High	BTV-Undiscl by LL
SF-Lot	43,560	Acres	1.00	Lot Area Source	Tax Authority
SF-Res	1,800	SF-Gar	0	Building Area Source	Owner/Builder
Tax ID	1197005	Taxes (Estimated)	\$ 1,105.66	Tax Year	2015
Year Built	1980	Year Remodeled		Year Updated	
Construction Status	Existing Structure	Foreclosure/Bank Own	No	Short Sale	No
List Price/SqFt	161.11	Sold Price/SqFt	155.56	Remote Description	
Directions: Sterling Highway to Bean Creek Road, follow about 1 1/2 miles, pass cemetery, turn left onto Raven St. Second driveway on the right. Property located at top of knoll. Signage at property only.					
Legal: T5NR3WS29 Seward Meridian SW 0780012 Recreation Estates-A Replat of Bean Creek Tr B L5					
Public Remarks: Cozy log home w/detached garage on landscaped lot with mountain views & ample parking. Large covered decks, enclosed fuel tank bldg, storage bldg, & more. Two bedrooms and a roll in 3/4 bath w shower on the main level along with dining room and kitchen. Propane kitchen range. Upstairs large open loft with wet bar, full bath & an adjoining open room down back stairs suitable as a bdrm or office. Construction features 3 sided logs, walls 10 inches thick, block foundation, separate mechanical room w dedicated entrance off back of house, lots of natural light. Property is located on a knoll with good drainage.					
Residential Type: Single Family Res		Heat Type: Stove; Kerosene/Oil Heater		Wtrfrnt-Access Near: None	
Construction Type: Log		Fuel Type: Oil; Propane; Wood		To Show: Appointment Only; Call Listing Office; Lockbox-Combo; Other-SeeRemarks	
Exterior Finish: Log		Sewer Type: Septic Tank		Contract Particulars: For Sale Sign Posted; Possession Recording	
Roof Type: Metal		Water-Type: Private		New Finance	
Foundation Type: Block		Dining Room Type: Area		(Terms): Cash; Conventional; FHA; VA	
Floor Style: Chalet/A-Frame; Log		Access Type: Dedicated Road; Gravel; Private; Maintained		Mortgage Info: EM Minimum Deposit: 3,000	
Garage Type: Detached; Heated		View Type: Mountains		Docs Avl for Review: Docs Posted on MLS	
Carport Type: None		Topography: Level			
		Wtrfrnt-Frontage: None			
Features-Interior: BR/BA on Main Level; Ceiling Fan(s); CO Detector(s); Dishwasher; Electric; Range/Oven; Refrigerator; Smoke Detector(s); Telephone; Vaulted Ceiling; Washer &/Or Dryer; Water Purification; Wet Bar; Window Coverings; Wood Stove					
Flooring: Carpet; Laminate Flooring					
Features-Additional: Deck/Patio; Landscaping; Motion Lighting; Satellite Dish; Shed; RV Parking					
Room Name	Level	Remarks	Room Name	Level	
Dining Room	First		Bedroom 1	First	
Kitchen	First		Bedroom 2	First	
Great Room	Second	huge loft	Full Bathroom	First	
Utility Room	First	wash/dryer in nook			
Bonus Room	Second				
Date-Listing	03/03/2016	Start Showing Date		Date-Expiration	
Agent Days On Market	13	Price-Original List	\$ 340,000	Price-Sale	\$ 280,000
Date-Closing	05/10/2016	Date-Pending	03/16/2016	Date-Back on Market	
Date-Status Change	05/11/2016	Date-Canceled		Date-Withdrawn	
Commission to SO	3.00	Commission Type	%	Financing Type Sold	FHA
Contract Type	Exclusive Right To Sell	Sellers Name	Phyllis McCray Estate	Contact Name	Sam Daniel
Contact Phone #	907-783-1910	LO Cntrl #		ByrClsCostsPd by Sfr	None
LL1: Sam Daniel, ABR, GRI, CRS, SRES (907) 783-1910 (907) 227-4626 Fax: (907) 783-1920			SL1: Michelle Williams		
LO: Glacier City Realty			SO: Jack White Real Estate Kenai (907) 395-0655		
LL2: Loretta Ortiz-Daniel of Glacier City Realty (907) 783-1910 (907) 783-1920					
Book, Page	Grantor/ Grantee				
2016-004490-0	The Estate of Phyllis McCray/ Josi Almonrode and Jeremy Louis				

Ryan McGillivray contacted real estate agent Sam Daniel. Mr. Daniel said the transaction was completed with his associate Rebecca Reichlin. Ms. Reichlin did not return phone calls or an email. The selling agent, Michelle Williams, said this was a good indicator of the market at the time of sale. She said the kitchen was 'seasoned' and the deck needed to be repainted for financing but other than those items it was a cool house.

Comparable #4

Address: 19852 Sterling Highway			
 <p style="font-size: small; text-align: center;">©2014 COPYRIGHT</p>	Listing # 16-2061 Status Closed Zip Code 99572 Bedrooms 3 SF-Res 1,776 Garage # 0 Longitude -149.785806 Year Built 1986	Price-List \$ 350,000 Near Cooper Landing Type Residential Baths 2.00 Carpport # 2 Latitude 60.495665 Unit #	
	MLS Area: 365 - Seward - Cooper Landing Borough/Census Area: 1B - Kenai Peninsula Borough Region: 1 - Southcentral Alaska Region Zoning: UNZ - Not Zoned		
School-Elementary Cooper Landing SF-Lot 60,548 SF-Res 1,776 Tax ID 11913012 Year Built 1986 Construction Status Existing Structure List Price/SqFt 197.07	School-Middle BTV-Undiscl by LL Acres 1.39 SF-Gar Taxes (Estimated) Year Remodeled Foreclosure/Bank Own No Sold Price/SqFt 197.07	School-High Soldotna Lot Area Source Tax Authority Building Area Source Tax Authority Tax Year Year Updated Short Sale No Remote Description	
Directions: For stats only. Legal: ASLS 79-211 L5A Public Remarks: For stats only.			
Residential Type: B & B Potential; Recreational/Cabin; Single Family Res Construction Type: Log; Wood Frame; Wood Frame - 2x6; Wood Frame - 2x8 Exterior Finish: Log; Other - See Remarks; Wood Roof Type: Metal Foundation Type: All Weather Wood; Poured Concrete Floor Style: Cabin; Log; Multi-Level Garage Type: None Carpport Type: Detached; Other - See Remarks	Heat Type: Stove; Baseboard; Forced Air Fuel Type: Electric; Oil; Wood Sewer Type: Crib; Septic Tank Water-Type: Private; Spring Dining Room Type: Area Access Type: Dedicated Road; Paved; Maintained View Type: Lake; Mountains; Unobstructed Topography: Sloping Waterfront Name: Waterfront Name: Kenai River and Lake Wtrfrnt-Frontage: None	Wtrfrnt-Access Near: Lake; River To Show: Appointment Only; Call Listng Licensee; Lockbox-Combo Contract Particulars: For Sale Sign Posted; Possession Recording New Finance (Terms): Cash; Conventional; FHA; Owner Finance; VA Docs Avl for Review: Docs Posted on MLS; Prop Discl Available	
Features-Interior: Basement; BR/BA on Main Level; Ceiling Fan(s); Central Vac; CO Detector(s); Dishwasher; Electric; Fireplace; Freezer-Stand Alone; Range/Oven; Refrigerator; Smoke Detector(s); Telephone; Vaulted Ceiling; Washer &/Or Dryer; Washr&/Or Dryer Hkup; Window Coverings; Workshop; SBOS Reqcd-See Rmks Flooring: Carpet; Hardwood Flooring Features-Additional: Private Yard; Barn/Shop; Deck/Patio; Fire Service Area; Landscaping; Mother-in-Law Apt; Road Service Area; Satellite Components; Satellite Dish; Shed; Storage Space/Unit; View; Waterfront Access; RV Parking; SBOS Reqcd-See Rmrks			
Date-Listing 02/16/2016 Agent Days On Market 0 Date-Closing 02/16/2016 Date-Status Change 02/16/2016 Commission to SO 2.50 Contract Type Exclusive Right To Sell Contact Phone #	Start Showing Date Price-Original List \$ 350,000 Date-Pending 02/16/2016 Date-Canceled Commission Type % Sellers Name Hofmeister LO Cntrl #	Date-Expiration Price-Sale \$ 350,000 Date-Back on Market Date-Withdrawn Financing Type Sold VA Contact Name	
LL1: Kevin and Lani Lauver Team (907) 953-1601 (907) 953-1601 Fax: (907) 262-7166 LO: Century 21 Realty Solutions Freedom Branch LL2: Sharon K Gratrix of Real Estate Brokers of Alaska		SL1: Kevin and Lani Lauver Team (907) 953-1601 (907) 953-1601 SO: Century 21 Realty Solutions Freedom Branch (907)	

Book, Page	Grantor/ Grantee
2016-000143-0	The Estate of Ray Hofmeister/ Michael and Shari Noona

Ryan McGillivray confirmed this sale with Kevin Lauver on June 4, 2020. Mr. Lauver said this sale was a true arms-length transaction. He said the property was previously listed with him but at the time of sale it was off the market. While the property was off the market he found an interested buyer and they proceeded with the transaction. In the Public Remarks above, 'For stats only' is for its inclusion in inter-office sales statistics. Mr. Lauver said the house was in average condition and additions have been made to the original log cabin.

Comparable #5

Address: 18067 Sterling Highway					
 <p style="font-size: small; color: gray;">©2015 COPYRIGHT</p>	Listing #	15-5491	Price-List	\$ 309,000	
	Status	Closed	Near	Cooper Landing	
	Zip Code	99572	Type	Residential	
	Bedrooms	2	Baths	1.50	
	SF-Res	1,380	Carpport #	0	
	Garage #	2	Latitude	60.488914	
	Longitude	-149.832173	Unit #		
	Year Built	1986	MLS Area: 365 - Seward - Cooper Landing		
	Borough/Census Area: 1B - Kenai Peninsula Borough				
	Region: 1 - Southcentral Alaska Region				
Zoning: UNZ - Not Zoned					
School-Elementary	Cooper Landing	School-Middle	Cooper Landing	School-High	Cooper Landing
SF-Lot	47,916	Acres	1.10	Lot Area Source	Tax Authority
SF-Res	1,380	SF-Gar	768	Building Area Source	Tax Authority
Tax ID	11906011	Taxes (Estimated)		Tax Year	2015
Year Built	1986	Year Remodeled	2004	Year Updated	
Construction Status	Existing Structure	Foreclosure/Bank Own	No	Short Sale	No
List Price/SqFt	223.91	Sold Price/SqFt	223.91	Remote Description	
Directions: Please call agent for directions and to set up an appointment. Please don't disturb or drive onto the property unless an appointment is made. Sellers live there year round.					
Legal: Seward Meridian SW That Portion Of HS 27 Lying South Of The Sterling Hwy					
Public Remarks: Beautiful 1.1 acre property nestled in the Cooper Landing Mountains. The year-round home is a 2-story, 1380 square ft, with 2 bedrooms and 1.5 baths, and a 768 sq ft 2 car detached garage that also has a 12x20 upstairs office space above. There is also a small dry cabin with electricity and a wood stove that has a bunk-bed. Property is well maintained! The main heat source is a Central Fireplace propane heater.					
Residential Type: Single Family Res		Heat Type: Baseboard; Other - See Remarks		Wtrfrnt-Access Near: Lake; River	
Foundation Type: Treated Posts		Fuel Type: Electric; Propane		To Show: Appointment Only; Call Listing Licensee; Dont Disturb Tenant	
Garage Type: Detached		Sewer Type: Septic Tank		Contract Particulars: For Sale Sign Posted	
Carpport Type: None		Water-Type: Private		New Finance (Terms): Cash; Conventional	
		Access Type: Private; Maintained		Mortgage Info: EM Minimum Deposit: 2,500	
		Wtrfrnt-Frontage: None		Docs Avl for Review: Prop Discl Available	
Date-Listing	04/18/2015	Start Showing Date		Date-Expiration	
Agent Days On Market	7	Price-Original List	\$ 309,000	Price-Sale	\$ 309,000
Date-Closing	06/22/2015	Date-Pending	04/25/2015	Date-Back on Market	
Date-Status Change	06/23/2015	Date-Canceled		Date-Withdrawn	
Commission to SO	3.00	Commission Type	%	Financing Type Sold	Cash
Contact Type	Exclusive Right To Sell	Sellers Name	Farrington	Contact Name	Natalia
Contact Phone #	907-830-1069	LO Cntrl #	CKN7G6	ByrClscostsPd by Slr	None
LL1: Natalia Aulenbacher (907) 830-1069 (907) 830-1069 Fax: (907) 262-7166			SL1: Natalia Aulenbacher (907) 830-1069 (907) 830-1069		
LO: Century 21 Realty Solutions Freedom Branch			SO: Century 21 Realty Solutions Freedom Branch (907) 262-1770		

Book, Page	Grantor/ Grantee
2015-000552-0	Thomas and Christine Farrington/ Bradley and Allison Melocik

Ryan McGillivray confirmed the sale with real estate agent Natalia Aulenbacher by email on June 5, 2020. Ms. Aulenbacher wrote, 'The sellers circumstances were a little different. They decided they wanted to move to Wasilla to be closer to their grandkids and a home came on the market that week that was down the street from their kids home. We wrote an offer contingent on them selling their cooper landing home. They wanted it sold asap. My market analysis at the time was \$15,000 - \$20,000 higher from what I recall.'

LIMITING CONDITIONS AND ASSUMPTIONS

This appraisal report has been made with the following general assumptions:

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
5. All engineering studies (if any) are assumed to be correct. The plot plans and illustrative material in this report are included only to help the reader visualize the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
7. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.
8. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of hazardous materials may affect the value of the property. The value estimated is predicated on the assumption that there is no such material on the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The intended user is urged to retain an expert in this field, if desired.

This appraisal report has been made with the following general limiting conditions:

1. Possession of this report, or a copy thereof, does not carry with it the right of publication.
2. The appraiser, by reason of this appraisal, is not required to give further consultation or testimony or to be in attendance in court with reference to the property in question unless arrangements have been previously made.
3. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.

Additional Assumptions and Limiting Conditions:

1. Any opinions of value provided in the report apply to the entire property, and any proration or division of the total into fractional interests will invalidate the opinion of value, unless such proration or division of interests has been set forth in the report.

QUALIFICATIONS OF APPRAISER

Brian Z. Bethard, MAI

State Certification No. 281

General Education

Service High School, Anchorage, Alaska - Graduate 1989
The Colorado College, Colorado Springs, CO - Bachelor of Arts, Economics 1993
University of Alaska, Anchorage, Anchorage, AK - MBA 1996

Employment History

Black-Smith, Bethard & Carlson, LLC -	Managing Member – 2005 +
Black-Smith and Richards, Inc. -	Fee Appraiser -1995 to 2005
Randall, Hayes, and Henderson, Inc. -	Fee Appraiser -1993 to 1995

Appraisal Courses/Seminars Taken

Residential Case Study - University of Alaska Anchorage - 1994
Uniform Residential Appraisal Report - Appraisal Institute - 1993
Standards of Professional Practice, Part A & B - Appraisal Institute - 1996
Advanced Sales Comparison & Cost Approaches - Appraisal Institute - 1997
Appraisal Principles & Procedures - Appraisal Institute - 1998
Highest and Best Use Market Analysis - Appraisal Institute - 1998
Advanced Applications and Market Analysis - Appraisal Institute - 1998
Report Writing and Valuation Analysis - Appraisal Institute, 1998
Advanced Income Capitalization, Course 510 - Appraisal Institute - 2000
Intro to Statistics & Supporting Adjustments - Appraisal Institute - 2002
Market Studies for Affordable Housing - NH&RA - 2002
Standards of Professional Practice - Appraisal Institute – 2002/03/04/05/07/09/11/13/15
Subdivision Analysis - Appraisal Institute – 2004/15
Rates & Ratios – Appraisal Institute – 2005
Principles of Real Estate Law – IRWA – 2005
Skills of Expert Testimony – IRWA – 2006
Analyzing Distressed Real Estate – AI – 2006
Condemnation Appraising – AI – 2007
Appraisal Challenges in Declining Markets – AI, 2009
Forecasting Revenue – AI, 2009
USPAP Update – AI, 2011
Yellow Book – AI, 2011
Appraisal Curriculum, General – AI, 2011
Real Estate Financing, Statistics & Value Modeling – AI, 2013
Appraisal of Limited Service Hotels – AI, 2015

Certifications

Alaska State Certification: General Real Estate Appraiser #281

Affiliations

Member Appraisal Institute (Member No. 11857)
President: Alaska Chapter Appraisal Institute – 2005 & 2006
Vice Pres: Alaska Chapter Appraisal Institute - 2004

Typical Clients

Cook Inlet Housing Authority
Northrim Bank
Alaska Housing Finance Corp.
HDR Engineering
The Municipality of Anchorage
The City of Valdez
Alaska Industrial Development & Export Authority
Wells Fargo Bank
Key Bank
State of Alaska Department of Natural Resources
First National Bank Alaska
Alaska First Bank
Denali Alaska Credit Union
Department of Justice

Appraisal Assignments

Various Multifamily, Land and Special Purpose
Attwood Building Rent Study, Anch., AK
Kenai Senior Housing Market Study, Kenai, AK
Highlands Luxury Apartments, Anch., AK
The Veco Building, Anch., AK
City of Valdez Assessment, Valdez, AK
Charter North Hospital, Anch., AK
McKay Building, Anch., AK
Alaska DOT Building, Juneau, AK
Alyeska Pipeline Appraisal, Prudhoe - Valdez
15th Avenue Extension ROW Project, Anch., AK
Saint Paul Health Clinic, St. Paul, AK
Residential Mortgage Building, Anch., AK
Sprucewood Housing; 300 Units Eielson AFB

