

APPENDIX F

Blacksmith-Richards Appraisal

**SUMMARY REPORT,
APPRAISAL ASSIGNMENT**
New Seward Highway Alignment Survey
Anchorage, Alaska

FOR
CH2M Hill
301 West Northern Lights Blvd.
Suite 601
Anchorage, Alaska 99503
Attn: Mr. Al Brooks

Report Date
January 23, 2004

Date of Inspection
December 13, 2003

Date of Valuation
December 13, 2003

FILE No. 04-010

BY
Diane Black-Smith, MAI

BLACK-SMITH & RICHARDS, INC.
2602 Fairbanks Street
Anchorage, Alaska 99503

January 23, 2004

Client: CH2M Hill
301 West Northern Lights Blvd.
Suite 601
Anchorage, Alaska 99503

Attn.: Mr. Al Brooks

Re: New Seward Highway Alignment Survey
Project #04-010
Anchorage, Alaska

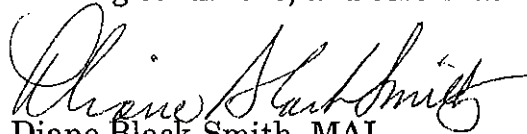
Dear Mr. Al Brooks

As requested, we have developed preliminary opinions of the market values of the proposed acquisitions as of January 23, 2004.

This is an appraisal assignment as opposed to an appraisal and the findings are presented in this *summary report*. It is intended to comply with the reporting requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice for a summary report, appraisal assignment. As such, it presents only summary discussions of the data, reasoning, and analyses that were used to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the client's intended use.

I acknowledge the assistance of Mr. Michael A. Forsland in the data collection and property descriptions in this assignment.

The value opinions reported are qualified by certain definitions, assumptions, limiting conditions, and certifications presented in the Addenda.


Diane Black-Smith, MAI

CERTIFICATION

We certify that, to the best of our knowledge and belief...

The statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.

We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice* as well as the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

We completed drive-by inspections of each parcel. These parcels are the subjects of this report.

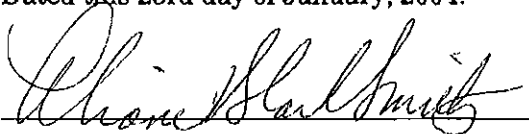
No one provided significant real property appraisal assistance to the persons signing this certification.

As of the date of this report I, Diane Black-Smith, MAI, have completed the continuing education program of the Appraisal Institute.

Diane Black-Smith, MAI is currently certified by the State of Alaska as a General Real Estate Appraiser (Certificate No. 31).

Diane Black-Smith has the appropriate knowledge and experience necessary to complete this appraisal assignment competently.

Dated this 23rd day of January, 2004.

A handwritten signature in cursive script, reading "Diane Black-Smith", written over a horizontal line.

Diane Black-Smith, MAI

NATURE OF THE ASSIGNMENT

Subject Properties

22 parcels that will be affected by the proposed project include vacant and improved commercial and residential properties. Each property is identified on an individual evaluation sheet.

Purpose of the Assignment

The purpose of this appraisal is to develop *preliminary* opinions of the *market value*¹ of the *fee simple*² interest in the proposed acquisitions.

Intended Use of the Report

The intended use is to assist the client in planning the proposed project.

Intended Users of the Report

The intended users include the client and agencies related to the project.

Effective Date of Value

12/13/03

Date of Inspection

12/13/03

Date of Report

01/23/04

¹ The amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal." The Uniform Appraisal Standards for Federal Land Acquisitions (2000).

² Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. Appraisal Institute 1993; *Dictionary of Real Estate Appraisal*

SCOPE OF WORK

Property Data

At this time, the client requires only preliminary value opinions for project planning purposes. An onsite inspection is not required for this assignment. I relied on drive-by viewings; the project plans and area estimates were provided by the client, and information was obtained from the Municipal Assessor.

The information necessary to develop reliable opinions of the market values of the acquisitions is not available (e.g., parking studies, engineering reports, owner opinions, or any other information that would identify issues related to damages or cost-to cure items).

The value opinions are developed according to the extraordinary assumption³ that the market value of the acquisition is fairly represented by the market value of the part acquired – as a part of the whole.

Market Data

Market data was obtained by searching the local multiple listing service records, surveying several real estate agents/brokers, property managers, and other appraisers. Market data was confirmed with the property owners, managers, or agents.

Analyses/Methodology

Unit values were developed by the sales comparison approach. The area of the part acquired is multiplied by the appropriate unit values to indicate the market value of the part acquired.

³ "An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions." *Uniform Standards of Professional Practice*.

PARCEL SUMMARIES

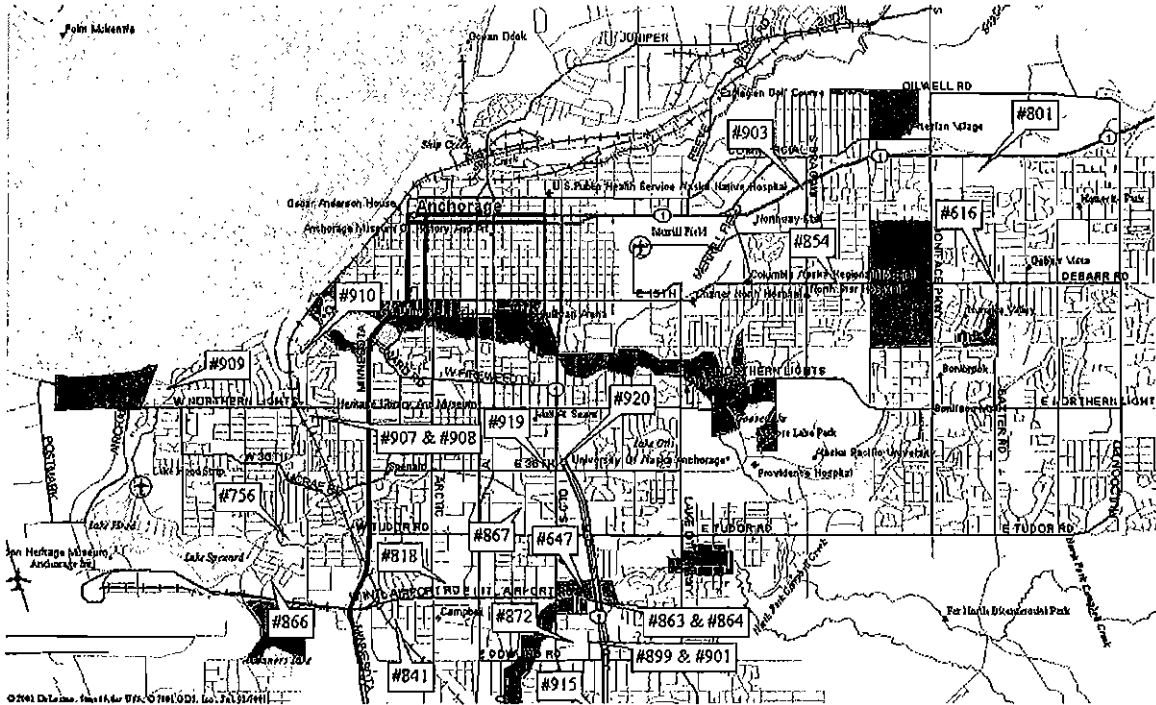
PARCEL #	PROPERTY OWNER	LARGER PARCEL	AREA ACQUIRED	ESTIMATED ACQUISITION VALUE
10	Hawkins Co LLC & ANC Dimond LLC & Hawkins G R	645,124 SF	14,311 SF	\$143,000
11	Wilcox & Stockdale Property Partnership	56,770 SF	902 SF	\$10,800
12	David G Faulk, DBA Pacific Alaska Leasing Co	144,003 SF	2,256 SF	\$18,000
20	Security National Inc & Security National Prop AK Ltd Partnership	88,862 SF	2,252 SF	\$20,300
21 & 22	Lawrence P Tallman & Clara S Tallman	129,496 SF	968 SF	\$8,700
30	John A Lutz & Mary C Lutz	114,400 SF	10,641 SF	\$95,800
31	Wuerth Investment Group	66,121 SF	879 SF	\$10,000
32	Jennie Kuznicki rev trust, Jennie Kuznicki/trustee & Kuznicki Family Ltd Part	25,693 SF	2,507 SF	\$15,000
33	Grace Community Church Inc	174,254 SF	6,412 SF	\$45,000
34	Jennie Kuznicki rev trust, Jennie Kuznicki/trustee & Kuznicki Family Ltd Part	148,569 SF	17,106 SF	\$102,600
35	Dean W Weidner	209,408 SF	11,992 SF	\$60,000
36 & 37	Alpine Apartments Ltd, Liability Company	723,194 SF	19,949 SF	\$100,000
53	Calais Co Inc & Safeway Inc	243,980 SF	24,116 SF	\$156,800
60	Gary A Ambruz & Mary Alice Ambruz	42,389 SF	42,389 SF	\$1,750,000
61 (NW loop w/ offset mainline option 1)	Turnagain Holding Inc	112,385 SF	854 SF	\$11,100
61 (NW loop option 2)	Turnagain Holding Inc	112,385 SF	112,385 SF	\$11,500,000
62	Elman Associates Limited Partnership	65,819 SF	3,337 SF	\$30,000
63	Hickel Investment Company & University of Alaska	333,234 SF	64,910 SF	\$843,800
64	Arthur Simonian	223,641 SF	45,873 SF	\$229,400
65	MOA	515,835 SF	90,670 SF	\$362,700
67	Brian R Lasselle & Ingrid K Braastad	14,677 SF	735 SF	\$5,500
68	3931 Helvetia Drive, Anchorage, AK 99508-5043	9,407 SF	9,407 SF	\$500,000

SUMMARY OF COMPARABLE LAND SALES

No.	Data Comp #	Location	Zone	Area	Date	Sale Price	\$/SF	Time Adj \$/SF
1	865	Tract A-5B Vanguard St	R-3	87,479 SF	7-03 List	\$450,000	\$5.14	\$5.45
2	616	Debarr Road	R-3	208,976 SF	1-02	\$775,000	\$3.71	\$4.17
3	867	SWC Denali and 40 th St.	R-3	391,034 SF	6-02	\$1,550,000	\$3.96	\$4.71
4	818	Arctic & Business Park Blvd.	R-3	720,339 SF	10-02	\$2,350,000	\$3.26	\$3.75
5	801	SEC Glenn & Newell	R-3	1,742,400 SF	5-02	\$4,049,650	\$2.32	\$2.78
6	756 (2002 pend. Sale)	Northwood	R-3SL	434,009 SF	10-03 Pend.	\$1,500,000	\$3.46	\$3.56
7	904	E Side of Old Seward Hwy, S of Abbott Road	R-3	213,900 SF	1-03	\$1,057,300	\$4.94	\$5.53
8	866	NW Corner of Malibu & Klammath Street	R-3	65,650 SF	7-03	\$342,000	\$5.21	\$5.52
9	905	SE Corner of Arctic Blvd & Dimond Blvd	R-2M	37,525 SF	9-03	\$180,000	\$4.80	\$4.99
10	907	W on Northern Lights, S on Forest Park Dr.	R-3	10,303 SF	4-03	\$150,614	\$13.60	\$14.82
11	908	W on Northern Lights, S on Forest Park Dr.	R-3	13,067 SF	6-03	\$200,000	\$15.31	\$16.38
12	909	W on Northern Lights, N on Telequana, W on Clay Products	R-1A	8,600 SF	6-01	\$65,000	\$7.56	\$9.90
13	910	2121 Atwood Dr., Anchorage, AK 99517	R-1A	12,353 SF	2-03	\$168,000	\$13.60	\$15.10
14	854	4301 Debarr Road	B-3	54,066 SF	6-02	\$456,857	\$8.45	\$10.06
15	855	E Side of Brayton Dr., between Lore & E 74th	B-3	145,175 SF	5-02	\$725,000	\$4.99	\$5.99
16	919	NSN E 36 th Ave.	B-3	163,118 SF	6-03	\$1,650,000	\$10.12	\$10.83
17	903	SWC of Glenn Hwy & Bragaw	B-3SL	101,059 SF	6-03	\$1,000,000	\$9.90	\$10.59
18	912	NSN Toloff Street	B-3SL	54,694 SF	Current Listing	\$628,981	\$11.50	\$11.50
19	916	SEC of Abbott & Indepen. (Fred Meyer)	B-3SL	865,537 SF	3-01	\$5,392,000	\$6.23	\$8.35
20	920	Frag Lot 3 Cent City	B-3	117,612 SF	Current Listing	\$1,530,000	\$13.00	\$13.00
21	647	Between Old Seward & Homer Dr., North off Int'l. Airpt. Rd.	I-1	150,166 SF	5-01	\$515,000	\$3.43	\$4.53
22	864	SW Corner of Int'l. Airpt. & Homer Dr.	I-1	67,500 SF	3-01	\$470,000	\$6.96	\$9.33
23	915	W Side of Homer Dr., between E 66 th & E 68 th Aves.	I-1	41,962 SF	Listing	\$455,288 (Asking)	\$10.85	\$10.85
24	872	E 57 th Ct.	I-1	45,402 SF	6-03	\$272,500	\$6.00	\$6.42
25	863	1150 East International	I-1	117,089 SF	9-00	\$706,500	\$6.03	\$8.44
26	841	Eielson Street	I-1	13,549 SF	2-02	\$80,000	\$5.90	\$7.26

27	899	SWC of Homer Dr. & E 56 th Ave.	I-1	506,635 SF	6-02	\$2,533,175	\$5.17	\$6.15
28	901	SWC of E. 56 th Ave. & LaTouche St.	I-1	705,000 SF	6-02	\$3,525,000	\$5.16	\$6.14
29	752	NSN E. Dimond Blvd. (Park & Sell)	I-1	157,983 SF	8-01	\$1,100,000	\$6.96	\$8.98
30	911	NSN Abbott Rd. (Carr's)	I-2	506,167 SF	4-02 EM	\$2,672,550	\$5.28	\$6.39
31	623	NEC of Hartzell & E. 88 th	I-1	1,122,846 SF	2-02	\$5,985,000	\$5.33	\$6.56
32	621	SWC of Old Seward Hwy & O'Malley (Lowe's)	I-1	936,975 SF	2-01	\$4,000,000	\$4.27	\$5.76

COMPARABLE LAND SALES MAP



PROPERTY EVALUATIONS

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	10	TAX ID #	014-271-288
OWNER:	Hawkins Co LLC & ANC Dimond LLC & Hawkins G R		
ADDRESS:	8645 W Franklin Road, Boise, ID 83709-0632		
PARCEL LOCATION:	601 Old Seward Highway; between stations 200 & 205		
LEGAL DESCRIPTION:	Tract A-1, Fragment Lot K-1A, Madigan Place Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	B3	INSPECTION DATE:	12-13-03
PRESENT USE:	Regional Shopping Center		
HIGHEST & BEST USE:	Commercial Retail		
2003 ASSESSED VALUE:	Land: \$5,483,600	Building: \$8,130,500	TOTAL: \$13,614,100

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	645,124 SF
AREA OF ACQUISITION:	14,311 SF
REMAINDER:	630,813 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a narrow strip of land on the parcel's eastern boundary containing 14,311 square feet. The take is unimproved land in its natural state which is part of a natural buffer between the New Seward Highway and the developed property. The remainder parcel is not affected by the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from both the Old & New Seward Highways and is located in a strategic retail area with several national anchors. Comparables 621, 623, 911, and 916 are the best indicators of large tracts developed with a big box retail center. The subject is smaller in size and the site has been improved for development. All sales require adjustment for market condition. The subject is fully developed real estate and is best supported of the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$10/SF.

CALCULATIONS: 14,311 SF @ \$10/SF = \$143,000 RND

The 2003 Assessed Value of the Land reflects \$8.50/SF

ESTIMATED VALUE OF ACQUISITION: \$143,000

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	11	TAX ID #	014-271-13
OWNER:	Wilcox & Stockdale Property Partnership		
ADDRESS:	1848 Ship Avenue, Anchorage, AK 99501-1859		
PARCEL LOCATION:	1310 E Dimond Blvd.; between stations 205 & 210		
LEGAL DESCRIPTION:	Tract C, Grand North Mall Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	B3	INSPECTION DATE:	12-13-03
PRESENT USE:	Commercial Strip Shopping Center		
HIGHEST & BEST USE:	Commercial Retail		
2003 ASSESSED VALUE:	Land: \$638,700	Building: \$763,800	TOTAL: \$1,402,500

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	56,770 SF
AREA OF ACQUISITION:	902 SF
REMAINDER:	55,868 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a narrow strip of a corner of land on the parcel's eastern boundry containing 902 square feet. The take is unimproved land in its natural state which is part of a natural buffer between the New Seward Highway and the developed property. The remaining parcel is not affected by the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from both Dimond Blvd. & the New Seward Highway and is located in a strategic retail area with several national anchors. Comparables 752, 912, and 915 indicate a range from \$8.98/SF to \$11.50/SF, and are adjusted for the market condition. The subject is fully developed real estate and is best supported of the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$12/SF.

CALCULATIONS: 902 SF @ \$12/SF = \$10,800 RND

The 2003 Assessed Value of the Land reflects \$11.25/SF

ESTIMATED VALUE OF ACQUISITION: \$10,800

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	12	TAX ID #	014-201-69 (same # as lots 2 & 3A)
OWNER:	David G Faulk, DBA Pacific Alaska Leasing Co		
ADDRESS:	8401 Brayton Dr. #200, Anchorage, AK 99507-3433		
PARCEL LOCATION:	8401 Brayton Dr.; between stations 213 & 216		
LEGAL DESCRIPTION:	Lot 4A, NACLA Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	B3	INSPECTION DATE:	12-13-03
PRESENT USE:	Commercial Office-Warehouse		
HIGHEST & BEST USE:	Commercial		
2003 ASSESSED VALUE:	Land: \$557,500	Building: \$1,504,900	TOTAL: \$2,062,400

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	144,003 SF
AREA OF ACQUISITION:	2,256 SF
REMAINDER:	141,747 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a narrow strip of land on the parcel's western boundary containing 2,256 square feet. The take is unimproved land in its natural state which is part of a natural buffer between the New Seward Highway R/W and the developed property. The remainder parcel is not affected by the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway and access from the frontage road and Sandlewood Street. Comparables 855, 864, and 915 are the best indicators. The subject is zoned B3 and a portion of the site is allocated for an access road to Sandlewood. The subject is fully developed real estate and is best supported at the middle of the range. The estimated unit price is \$8/SF.

CALCULATIONS: 2,256 SF @ \$8/SF = \$18,000 RND

The 2003 Assessed Value of the Land reflects \$3.87/SF

ESTIMATED VALUE OF ACQUISITION: \$18,000

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	20	TAX ID #	014-191-22
OWNER:	Security National Inc & Security National Prop AK Ltd Partnership		
ADDRESS:	PO Box 35, Eureka, CA 95501-0000		
PARCEL LOCATION:	770 Homer Dr.; between stations 231 & 236		
LEGAL DESCRIPTION:	Tract C-1A, Commerce Park Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	B3	INSPECTION DATE:	12-13-03
PRESENT USE:	Commercial Office Warehouse		
HIGHEST & BEST USE:	Commercial		
2003 ASSESSED VALUE:	Land: \$399,900	Building: \$0	TOTAL: \$399,900

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	88,862 SF
AREA OF ACQUISITION:	2,252 SF
REMAINDER:	86,610 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a narrow strip of land on the parcel's northern boundary containing 2,252 square feet. The subject is a large undeveloped parcel. The partial strip acquisition adjoining 76th Avenue does not impact the remainder parcel.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway and 76th Avenue. Comparables 855, 864, and 915 are the best indicators with an adjusted range of \$5.99 to \$10.85 per square foot. The subject is undeveloped real estate and is best supported of the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$9/SF.

CALCULATIONS: 2,252 SF @ \$9/SF = \$20,300 RND

The 2003 Assessed Value of the Land reflects \$4.50/SF

ESTIMATED VALUE OF ACQUISITION: \$20,300

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	21 & 22	TAX ID #	014-123-68
OWNER:	Lawrence P Tallman & Clara S Tallman		
ADDRESS:	PO Box 871865, Wasilla, AK 99687-1865		
PARCEL LOCATION:	Between stations 239 & 242		
LEGAL DESCRIPTION:	Lot 2A, Block 6, Chugach Meadows Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	B3	INSPECTION DATE:	12-13-03
PRESENT USE:	Commercial Warehouse		
HIGHEST & BEST USE:	Commercial		
2003 ASSESSED VALUE:	Land: \$518,000	Building: \$772,000	TOTAL: \$1,290,000

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	129,496 SF
AREA OF ACQUISITION:	968 SF
REMAINDER:	128,528 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a narrow strip of land on the parcel's western boundary containing 968 square feet. The subject is a large developed parcel. The partial strip acquisition is unimproved land in its natural state and adjoins the New Seward Highway R/W. There is no impact to the remainder due to the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway and the frontage road and is located in a strategic retail area. Comparables 855, 864, and 915 are the best indicators with an adjusted range of \$5.99 to \$10.85 per square foot. The subject is fully developed real estate and is best supported of the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$9/SF.

CALCULATIONS: 968 SF @ \$9/SF = \$8,700 RND

The 2003 Assessed Value of the Land reflects \$4.00/SF

ESTIMATED VALUE OF ACQUISITION: \$8,700

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	30	TAX ID #	014-031-14 & 17
OWNER:	John A Lutz & Mary C Lutz		
ADDRESS:	1301 E 64 th Avenue, Anchorage, AK 99518		
PARCEL LOCATION:	Between stations 280 & 285		
LEGAL DESCRIPTION:	Lots 23 & 24, Dowling Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	I1	INSPECTION DATE:	12-13-03
PRESENT USE:	Unimproved Land		
HIGHEST & BEST USE:	Commercial-Industrial		
2003 ASSESSED VALUE:	Land: \$389,000	Building: \$0	TOTAL: \$389,000

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	114,400 SF
AREA OF ACQUISITION:	10,641 SF
REMAINDER:	103,759 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a narrow strip of land on the parcel's eastern boundary containing 10,641 square feet. This is a large undeveloped tract that has been cleared and is generally level in terrain. The partial strip is unimproved land in its natural state and adjoins the New Seward Highway R/W. There is no impact to the remainder due to the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway and is located in a strategic industrial location. Comparables 863, 864, 647, and 915 indicate an adjusted range of \$4.53 to \$10.85 per square foot for time only. Sales 863 and 864 are similar in all respects and give the most weight. The subject is best supported of the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$9/SF.

CALCULATIONS: 10,641 SF @ \$9/SF = \$95,800 RND

The 2003 Assessed Value of the Land reflects \$3.40/SF

ESTIMATED VALUE OF ACQUISITION: \$95,800

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	31	TAX ID #	014-031-42
OWNER:	Wuerth Investment Group		
ADDRESS:	931 Maho Circle, Anchorage, AK 99515-3739		
PARCEL LOCATION:	Between stations 285 & 290		
LEGAL DESCRIPTION:	Lot 5 REM & Lot 6 REM, Dowling Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	I1	INSPECTION DATE:	12-13-03
PRESENT USE:	Unimproved Land		
HIGHEST & BEST USE:	Commercial-Industrial		
2003 ASSESSED VALUE:	Land: \$227,700	Building: \$33,800	TOTAL: \$261,500

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	66,121 SF
AREA OF ACQUISITION:	879 SF
REMAINDER:	65,242 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a narrow wedge of land on the parcel's eastern boundary containing 879 square feet. This is a large undeveloped tract that has been cleared and is generally level in terrain. The partial strip is unimproved land in its natural state and adjoins the New Seward Highway R/W. There is no impact to the remainder of the parcel due to the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from both the New Seward Highway and Dowling Road and is located in a strategic industrial area. Comparables 863, 864, 647, and 915 indicate an adjusted range of \$4.53 to \$10.85 per square foot for time only. Sales 863 and 864 are similar in all respects and give the most weight. The subject is superior in location to comparables. The subject is undeveloped real estate and is best supported at the top of the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$11/SF.

CALCULATIONS: 879 SF @ \$11/SF = \$10,000 RND

The 2003 Assessed Value of the Land reflects \$3.44/SF

ESTIMATED VALUE OF ACQUISITION: \$10,000

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	32	TAX ID #	009-282-62
OWNER:	Jennie Kuznicki rev trust, Jennie Kuznicki/trustee & Kuznicki Family Ltd Part		
ADDRESS:	1537 E Dowling Road, Anchorage, AK 99507-1913		
PARCEL LOCATION:	Between stations 290 & 293		
LEGAL DESCRIPTION:	Lot 2S PTN, Block 2, FYFE Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	R3	INSPECTION DATE:	12-13-03
PRESENT USE:	Unimproved Land		
HIGHEST & BEST USE:	Multifamily-Residential		
2003 ASSESSED VALUE:	Land: \$47,300	Building: \$0	TOTAL: \$47,300

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	25,693 SF
AREA OF ACQUISITION:	2,507 SF
REMAINDER:	23,186 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a small piece of land on the parcel's western boundry containing 2,507 square feet. This is an undeveloped tract that has been cleared and is generally level in terrain. The partial strip is unimproved land in its natural state and adjoins the New Seward Highway R/W. There is no impact to the remainder of the parcel due to the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway and is located north of Dowling Road. Comparables 865, 866, and 905 are the best indicators of value. The subject is undeveloped real estate and is best supported of the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$6/SF.

CALCULATIONS: 2,507 SF @ \$6/SF = \$15,000 RND

The 2003 Assessed Value of the Land reflects \$1.84/SF

ESTIMATED VALUE OF ACQUISITION: \$15,000

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	33	TAX ID #	009-281-71
OWNER:	Grace Community Church Inc		
ADDRESS:	2511 Sentry Drive, Anchorage, AK 99507-4469		
PARCEL LOCATION:	Between stations 292 & 296		
LEGAL DESCRIPTION:	Lot 2, Block 1, FYFE Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	I1	INSPECTION DATE:	12-13-03
PRESENT USE:	Undeveloped Land		
HIGHEST & BEST USE:	Commercial- Industrial		
2003 ASSESSED VALUE:	Land: \$640,000	Building: \$0	TOTAL: \$640,000

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	174,254 SF
AREA OF ACQUISITION:	6,412 SF
REMAINDER:	167,842 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a narrow strip of land on the parcel's eastern boundry containing 6,412 SF. This is a large undeveloped tract which the majority is classified as Developable Wetlands. The partial strip acquisition adjoining the New Seward Highway does not impact the remainder of the parcel.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway. However, access is from the one way frontage road. The subject sold in June 2002 for \$5.17/SF. The subject is part of an assemblage. Comparables 872, 899 (subject), and 901 are the best indicators of value. Adjusting the sales for market conditions indicate a tight range of \$6.14 to \$6.42/SF. As a stand alone parcel, the unit price is above these sales. The subject is undeveloped real estate and is best supported of the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$7/SF.

CALCULATIONS: 6,412 SF @ \$7/SF = \$44,900 RND

The 2003 Assessed Value of the Land reflects \$3.68/SF

ESTIMATED VALUE OF ACQUISITION: \$44,900

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	34	TAX ID #	009-282-61
OWNER:	Jennie Kuznicki rev trust, Jennic Kuznicki/trustee & Kuznicki Family Ltd Part		
ADDRESS:	1537 E Dowling Road, Anchorage, AK 99507-1913		
PARCEL LOCATION:	Between stations 293 & 298		
LEGAL DESCRIPTION:	Lot 2N PTN, Block 2, FYFE Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	R3	INSPECTION DATE:	12-13-03
PRESENT USE:	Undeveloped Land		
HIGHEST & BEST USE:	Multifamily Residential		
2003 ASSESSED VALUE:	Land: \$207,200	Building: \$0	TOTAL: \$207,200

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	148,569 SF
AREA OF ACQUISITION:	17,106 SF
REMAINDER:	131,463 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a narrow strip of land on the parcel's western boundry containing 17,106 square feet. The subject is a large undeveloped, irregular shaped parcel that adjoins the New Seward Highway R/W. The parcel is used as a snow dump site in the winter. The site has been cleared and is generally level in terrain. There is no impact to the remainder due to the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway. Comparables 616, 865, 866, and 904 are the best indicators of value. The time adjusted unit prices reflect a range of \$4.17 to \$5.52 per square foot. The subject is cleared and generally level in topography. The subject is undeveloped real estate and is best supported of the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$6/SF.

CALCULATIONS: 17,106 SF @ \$6/SF = \$102,600 RND

The 2003 Assessed Value of the Land reflects \$1.39/SF

ESTIMATED VALUE OF ACQUISITION: \$102,600

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	35	TAX ID #	009-282-47
OWNER:	Dean W Weidner		
ADDRESS:	9757 Juanita Drive NE #300, Kirkland, WA 98034-0000		
PARCEL LOCATION:	Between stations 297 & 303		
LEGAL DESCRIPTION:	Lot 1, Block 2, FYFE Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	R3	INSPECTION DATE:	12-13-03
PRESENT USE:	Unimproved Land		
HIGHEST & BEST USE:	Multifamily Residential		
2003 ASSESSED VALUE:	Land: \$192,300	Building: \$0	TOTAL: \$192,300

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	209,408 SF
AREA OF ACQUISITION:	11,992 SF
REMAINDER:	197,416 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a narrow strip of land on the parcel's western boundry containing 11,992 square feet. This is a large undeveloped tract, which is designated 100% Developable Wetlands. The partial strip acquisition adjoining the New Seward Highway R/W does not impact the remainder parcel.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway. Comparables 616, 865, 866, and 904 are the best indicators of value. The time adjusted unit prices reflect a range of \$4.17 to \$5.52 per square foot. The subject is 100% developable wetlands. The subject is undeveloped real estate and is best supported of the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$5/SF.

CALCULATIONS: 11,992 SF @ \$5/SF = \$60,000 RND

The 2003 Assessed Value of the Land reflects \$0.92/SF

ESTIMATED VALUE OF ACQUISITION: \$60,000

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	36 & 37	TAX ID #	009-253-20
OWNER:	Alpine Apartments Ltd, Liability Company		
ADDRESS:	9757 Juanita Drive NE #300, Kirkland, WA 98034-0000		
PARCEL ADDRESS:	5211 Mockingbird Dr.; between stations 302 & 313		
LEGAL DESCRIPTION:	Tract C, Alpine Meadows North Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	R3	INSPECTION DATE:	12-13-03
PRESENT USE:	Commercial High Rise Apartments		
HIGHEST & BEST USE:	Multifamily-Residential		
2003 ASSESSED VALUE:	Land: \$1,580,100	Building: \$16,472,600	TOTAL: \$18,052,700

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	723,194 SF
AREA OF ACQUISITION:	19,949 SF
REMAINDER:	703,245 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a long narrow strip of land on the parcel's western boundary containing 19,949 square feet. This is a large developed tract which has ¼ classified as Developable Wetlands. The partial strip is unimproved land in its natural state which is part of a natural buffer between the New Seward Highway and the developed property. The remainder parcel is not affected by the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway and is located in a strategic commercial-residential area. Comparables 616, 756, 801, 818, and 867 are all large R3 land sales indicating a time adjusted unit price of \$2.78 to \$4.71 per square foot. The subject is fully developed real estate and is best supported above the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$5/SF.

CALCULATIONS: 19,949 SF @ \$5/SF = \$100,000 RND

The 2003 Assessed Value of the Land reflects \$2.18/SF

ESTIMATED VALUE OF ACQUISITION: \$100,000

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	53	TAX ID #	009-172-15
OWNER:	Calais Co Inc & Safeway Inc		
ADDRESS:	5918 Stoneridge Mall Road, Pleasanton, CA 94588-3229		
PARCEL LOCATION:	1430 E Tudor Rd.; between stations 337 & 341		
LEGAL DESCRIPTION:	Tract 2A, Bancroft #1 Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	B3	INSPECTION DATE:	12-13-03
PRESENT USE:	Commercial Fast Food		
HIGHEST & BEST USE:	Commercial		
2003 ASSESSED VALUE:	Land: \$1,268,700	Building: \$1,177,200	TOTAL: \$2,445,900

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	243,980 SF
AREA OF ACQUISITION:	24,116 SF
REMAINDER:	219,864 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a strip of land on the parcel's western boundry containing 24,116 square feet. The north half of the subject is developed with two stand alone restaurant facilities. The south half is vacant undeveloped land. The soils are very poor with deep peat deposits over clay. The buildings were developed on pilings, 66 feet under Tony Roma's, and 28 feet under the Breakfast Club. The partial strip acquisition is improved land and separates the northbound exit ramp and the developed property. The remainder of the parcel is not affected by the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway and Tudor Road. Sales 622, 752, 855, 903, 911, and 916 indicate a range of \$5.99 to \$10.59 per square foot that are adjusted for market conditions considering subject size, location, and poor soils at a unit price of \$6.50/SF as indicated.

CALCULATIONS: 24,116 SF @ \$6.50/SF = \$156,800 RND

The 2003 Assessed Value of the Land reflects \$5.20/SF

ESTIMATED VALUE OF ACQUISITION: \$156,800

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	60	TAX ID #	009-122-20
OWNER:	Gary A Ambruz & Mary Alice Ambruz		
ADDRESS:	999 E Tudor Road, Anchorage, AK. 99503-6123		
PARCEL LOCATION:	999 E Tudor Road, Anchorage, AK 99503-6123; between stations 343 & 346		
LEGAL DESCRIPTION:	Lot 9B, Tudor Corner Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	B3	INSPECTION DATE:	12-13-03
PRESENT USE:	Commercial Office/Warehouse - 24,760 GBA		
HIGHEST & BEST USE:	Commercial		
2003 ASSESSED VALUE:	Land: \$381,500	Building: \$694,600	TOTAL: \$1,076,100

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	42,389 SF
AREA OF ACQUISITION:	42,389 SF
REMAINDER:	0 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a total take.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway and Tudor Road. The subject is improved with an older industrial building built in 1966 and is used as Builders Millwork. The building has a GBA of 24,760 SF which indicates office, sales area, warehouse, and manufacturing areas. 11,288 SF is finished mezzanine. Five industrial building sales have been reviewed as 332, 333, 334, 335, and 364. They indicate a range from \$48 to \$79.51 per square foot. Sale 333 is a recent sale with frontage on International Airport Road. The market value is estimated at \$70/SF.

CALCULATIONS: 24,760 SF @ \$70/SF = \$1,750,000 RND

The 2003 Assessed Value is \$1,076,100/SF

ESTIMATED VALUE OF ACQUISITION: \$1,750,000

(Parcel 60) SUMMARY OF COMPARABLE INDUSTRIAL BUILDING SALES

Data Comp #	333	364	332	334	335
Location	524 W. Int'l.	512 W. Int'l.	3685 Arctic	5601 Silverado	5701 Silverado
Sale Price	\$950,000	\$600,000	\$1,250,000	\$945,000	\$1,700,000
Terms	Cash	Cash	Cash	Cash	Cash
CEV	\$950,000	\$600,000	\$1,250,000	\$945,000	\$1,700,000
Date of Sale	3/03 (Pending)	3-01	12-02	1-03	10-02
Grantor	Seven C Ent.	Interstate	Marchant	McDonald's Corp.	N. Brown
Grantee	Hope Community Resources	Seven C Ent.	XC Corp.	K. Buettner	Sun Warehouse LLC
Const. Type	Metal	Metal	Wood Frame	CC Block	CC Block
Zoning	I-1	I-1	B-3	I-1	I-1
Land Area	37,500	37,500 SF	27,544 SF	26,829 SF	46,821 SF
Year Built	1972	1966	1968	1982	1983
Condition	Average	Fair	Average	Average	Average
GBA	11,948 SF	12,500 SF	19,010 SF	13,868 SF	25,262 SF
Land:Bldg. Ratio	3.14:1	3.00:1	1.45:1	1.93:1	1.79:1
% Office/ % Whse	51%/49%	25%/75%	33%/67%	55%/45%	32%/68%
\$/SF GBA Land Incl.	\$79.51	\$48.00	\$65.75	\$68.14	\$67.29
Gross Income	\$166,200	\$99,840	\$189,008	\$132,923	\$285,752
Effective Gross	\$157,890	\$94,848	\$179,558	\$126,277	\$271,464
Ann. Exp.	<54,530>	<25,600>	<40,203>	<31,791>	<91,463>
Exp. Ratio	34.54%	26.99%	22%	25%	34%
Exp./SF	\$4.56	\$2.00	\$2.11	\$2.29	\$3.62
NOI	\$103,360	\$69,248	\$139,355	\$94,486	\$180,001
NOI/SF	\$8.65	\$5.41	\$7.33	\$6.81	\$7.13
OAR	10.34%*	11.5%	11.2%	10.0%	10.6%
GAIM	5.72/6.0	6.01	6.61	7.11	5.95

* Cap rate stated as 10.34% based on estimate that value of Subject would actually be \$1,000,000, after \$50,000 in new roof costs are added to net sales price of \$950,000.

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	61	TAX ID #	009-122-19
OWNER:	Turnagain Holding Inc		
ADDRESS:	1011 E Tudor Rd, Anchorage, AK 99503-6119		
PARCEL LOCATION:	1011 E Tudor Road; between stations 343 & 349		
LEGAL DESCRIPTION:	T13N R3W SEC 29, SE4SW4SW4 PTN, Parcel 6D		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	B3	INSPECTION DATE:	12-13-03
PRESENT USE:	Commercial Class B Office Building		
HIGHEST & BEST USE:	Commercial		
2003 ASSESSED VALUE:	Land: \$758,600	Building: \$5,571,200	TOTAL: \$6,329,800

** Please note that Parcel 61 is a part of both options of the New Seward Highway Project.*

OPTION #1 (TUDOR ROAD NW LOOP W/OFFSET MAINLINE):

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	112,385 SF
AREA OF ACQUISITION:	854 SF
REMAINDER:	111,531 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a narrow strip of land on the parcel's eastern boundry containing 854 square feet. The subject is a large developed, irregular shaped parcel. The partial strip appears to be unimproved land in its natural state which lies between the New Seward Highway southbound off-ramp and the developed property. The remainder of the parcel is not affected by the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway and Tudor Road. Comparables 919 and 920 are the best indicators with a range of \$10.83 to \$13 per square foot. The subject is fully developed real estate and is best supported of the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$13/SF.

CALCULATIONS: 854 SF @ \$13/SF = \$11,100 RND

The 2003 Assessed Value of the Land reflects \$6.75/SF

ESTIMATED VALUE OF ACQUISITION: \$11,100

Parcel 61 continued

OPTION #2 (TUDOR ROAD NW LOOP OPTION):

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	112,385 SF
AREA OF ACQUISITION:	112,385 SF
REMAINDER:	0 SF

DESCRIPTION OF ACQUISITION:

The acquisition is the entire parcel containing all 112,385 square feet. The property is improved with a 98,148 SF commercial office building and is fully leased to the U.S. Fish & Wildlife Service. The building recently sold for \$11.5 million.

VALUATION ANALYSIS:

The subject is a good-quality office building built in 1977 and a 28,604 square foot addition in 1993. The building sold with a new negotiated lease with U.S. Fish & Wildlife. The subject indicates an overall sales price of \$117.17/SF. Comparables 308, 346, and 349 are recent sales of good-quality office buildings indicating unit prices of \$104.76, \$82.10, and \$133.12 per square foot. The recent sale of the subject is supported by the comparables and is given strong consideration. The estimated market value is \$11,500,000.

The 2003 Assessed Value is \$6,329,800

ESTIMATED VALUE OF ACQUISITION: \$11,500,000

(Parcel 61) SUMMARY OF COMPARABLE OFFICE BUILDING SALES

Data Comp #	346	349	308
Location	701 E.Tudor	4341 "B" St.	2600 Cordova St.
Sale Price	\$6,750,000	\$5,725,000	\$3,000,000
Terms	Cash	Cash	Cash
CEV	\$6,750,000	\$5,725,000	\$3,000,000
Grantor	Brewington/ Korobkin	Concursus Partners	CIRI
Grantee	IBEW	M. Chen	AEPF
Purchaser Type	Investor	User	Investor
\$/SF GBA	\$82.10	\$133.12	\$104.76(4)
Date of Sale	9-03	2-03	10-02
Construction Type	WD/SF	Steel/CC	Steel/CC
Use	Office	Office	Office
Zoning	B-3	I-1	B-3
Land Area	199,629 SF	59,176 SF	37,476 SF
Year Built	1979	1983	1985
Condition	Average+	Average +	Average +
GBA	82,217 SF	43,006 SF	28,636 SF 15,174 SF Bsmt
L:B Ratio	2.42:1	1.38:1	0.86:1
Rentable Area	78,455 SF(3)	36,555 SF	27,204 SF
Eff. Ratio	87%	85%	94% (1)
Gross Income	\$1,207,108	\$565,200	\$538,643
Eff. Income	\$1,174,882	\$565,200	\$511,711
Expenses	<538,146>	<42,100>	<200,452>
Exp. Ratio	46%	8% (2)	39%
Expenses/SF	\$6.55	\$0.98	\$7.00
NOI	\$636,736	\$523,100	\$311,259
NOI/SF	\$7.74	\$12.16	\$7.10
GAIM	5.59	10.13	5.57
OAR	9.4%	9.1%	10.4%

(1) Rentable

(2) Building is leased on a "triple net basis".

(3) Based on 1.1 load and 71,323 NUA

(4) Based on \$3,000,000 / 28,6336 SF (above grade)

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	62	TAX ID #	009-122-19
OWNER:	Elman Associates Limited Partnership		
ADDRESS:	50 ½ E 64 th Street, New York, NY 10021-7306		
PARCEL LOCATION:	1020 E 42 nd Pl.; between stations 346 & 349		
LEGAL DESCRIPTION:	Lot 8C, Tudor Corner Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	B3SL	INSPECTION DATE:	12-13-03
PRESENT USE:	Undeveloped Land		
HIGHEST & BEST USE:	Commercial		
2003 ASSESSED VALUE:	Land: \$437,200	Building: \$0	TOTAL: \$437,200

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	65,819 SF
AREA OF ACQUISITION:	3,337 SF
REMAINDER:	62,482 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a triangular shaped portion of the subject located at the parcel's southeastern boundry containing 3,337 square feet. The subject is an unimproved, regular shaped parcel. The remainder parcel is not affected by the acquisition.

VALUATION ANALYSIS:

Comparables 854, 863, 864, 872, and 912 indicated a time adjusted range of \$5.99 to \$11.50 per square foot. The highest indicator is a listing and is given the least consideration. The subject is a leveled vacant tract and is best supported of the range as the above sales. The estimated unit price is \$9/SF.

CALCULATIONS: 3,337 SF @ \$9/SF = \$30,000 RND

The 2003 Assessed Value of the Land reflects \$6.64/SF

ESTIMATED VALUE OF ACQUISITION: \$30,000

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	63	TAX ID #	009-122-32 & 33
OWNER:	University Of Alaska & Hickel Investment Co.		
ADDRESS:	3890 University lake Dr #103 99508 & PO Box 101700, 99510		
PARCEL LOCATION:	Between stations 349 & 356		
LEGAL DESCRIPTION:	Tract A-2, Fragment Lot 2 & 3, Central City Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	B3	INSPECTION DATE:	12-13-03
PRESENT USE:	Re-subdivided into two separate parcels, lot 3 is vacant & lot 2 (north tract) is the former University Center		
HIGHEST & BEST USE:	Commercial		
2003 ASSESSED VALUE:	Land: \$2,107,600	Building: \$7,303,300	TOTAL: \$9,410,900

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	333,234 SF
AREA OF ACQUISITION:	64,910 SF
REMAINDER:	268,324 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a portion of land on the parcel's eastern boundry containing 64,910SF. The subject is a large developed parcel. This property has recently been re-platted into two tracts. The southern tract is vacant land and the area acquired is the eastern half of the vacant site. The remainder will be a similar irregular shaped parcel with the only difference in a reduction in size. The remainder size is adequate for most commercial projects. The northern tract is improved with the former University Shopping Center, now the University of Alaska and Saddler's Furniture. The area acquired is utilized for parking and landscaping. No impact to the remainder is assumed for this survey, there appears to be adequate parking. The partial take is improved land utilized for support parking and the remainder parcel is not affected by the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from both the Old & New Seward Highways and is located in a south/midtown retail area with good access to major arterials. Comparables 621, 623, 911, and 916 are the best indicators of large tracts developed with a big box retail center. The subject is smaller in size and the site has been improved for development. All sales require adjustment for market condition and soil/site preparation. The subject is fully developed real estate and is best supported of the range as the above sales reflect unimproved commercial real estate. The south tract of the subject is currently listed for \$13/SF. The estimated unit price is \$13/SF.

CALCULATIONS: 64,910SF @ \$13/SF = \$843,800 RND

The 2003 Assessed Value of the Land reflects \$6.32/SF

ESTIMATED VALUE OF ACQUISITION: \$843,800

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	64	TAX ID #	009-121-47
OWNER:	Arthur Simonian		
ADDRESS:	Box 1563, Anchorage, AK 99510		
PARCEL LOCATION:	Between stations 343 & 349		
LEGAL DESCRIPTION:	Tract B2, Kimberly Terrace #1 Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	R3	INSPECTION DATE:	12-13-03
PRESENT USE:	Undeveloped Land		
HIGHEST & BEST USE:	Multifamily Residential		
2003 ASSESSED VALUE:	Land: \$421,700	Building: \$0	TOTAL: \$421,700

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	223,641 SF
AREA OF ACQUISITION:	45,873 SF
REMAINDER:	177,768 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a portion of land on the parcel's western boundry containing 45,873 SF. The subject is a large undeveloped, irregular shaped parcel. The partial take is unimproved land in its natural state which lies between the northbound entry ramp off Tudor Road and the undeveloped property. The remainder of the parcel is not affected by the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway but access is from adjoining interior streets. The area has deep peat deposits. Comparables 616, 756, 867, and 904 are the best indicators with a time adjusted range of \$3.56 to \$5.53 per square foot. The subject is undeveloped real estate and is best supported of the range as the above sales. The estimated unit price is \$5/SF.

CALCULATIONS: 45,873 SF @ \$5/SF = \$229,400 RND

The 2003 Assessed Value of the Land reflects \$1.89/SF

ESTIMATED VALUE OF ACQUISITION: \$229,400

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	65	TAX ID #	009-121-48
OWNER:	MOA (11/03 sold to MOA for a Park)		
ADDRESS:	200 W 34 th Ave #380, Anchorage, AK 99503-3969		
PARCEL LOCATION:	Between stations 348 & 356		
LEGAL DESCRIPTION:	TR B-1A, Geneva Woods Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	R2M	INSPECTION DATE:	12-13-03
PRESENT USE:	Residential Vacant Land		
HIGHEST & BEST USE:	Commercial-Residential		
2003 ASSESSED VALUE:	Land: \$310,000	Building: \$0	TOTAL: \$310,000

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	515,835 SF
AREA OF ACQUISITION:	90,670 SF
REMAINDER:	425,165 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a portion of land on the parcel's western boundry containing 90,670 square feet. The subject is a large undeveloped parcel. The partial take is unimproved land in its natural state. The remainder of the parcel is not affected by the acquisition.

VALUATION ANALYSIS:

The subject has excellent exposure from the New Seward Highway but access is from adjoining interior streets. The site was acquired by the MOA in 11/03 for a park. Comparables 616, 756, 818, and 867 are the best indicators. The subject is in an area of known deep peat deposits. The subject is undeveloped real estate and is best supported of the range as the above sales reflect unimproved commercial real estate. The estimated unit price is \$4/SF.

CALCULATIONS: 90,670 SF @ \$4/SF = \$362,700 RND

The 2003 Assessed Value of the Land reflects \$0.60/SF

ESTIMATED VALUE OF ACQUISITION: \$362,700

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	67	TAX ID #	003-247-62
OWNER:	Brian R Lasselle & Ingrid K Braastad		
ADDRESS:	1218 ST. Gothard Ave. Anchorage, AK 99508-5047		
PARCEL LOCATION:	1218 ST. Gothard Ave. Anchorage, AK; between stations 355 & 357		
LEGAL DESCRIPTION:	Lot 43A, Block 2, Geneva Woods Subdivision		
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	R1A	INSPECTION DATE:	12-13-03
PRESENT USE:	Single Family Residence		
HIGHEST & BEST USE:	Commercial-Residential		
2003 ASSESSED VALUE:	Land: \$96,000	Building: \$200,100	TOTAL: \$296,100

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	14,677 SF
AREA OF ACQUISITION:	735 SF
REMAINDER:	13,942 SF

DESCRIPTION OF ACQUISITION:

The acquisition is a portion of land on the parcel's western boundry containing 735 square feet. The subject is a developed residential lot. The partial take is improved land which lies between the New Seward Highway and the developed property. The remainder of the parcel is not affected by the acquisition.

VALUATION ANALYSIS:

The subject is a large R-1A residential lot and has exposure from the New Seward Highway. Comparables 907, 908, 909, and 910 are the best comparables. Size and highway exposure is considered in value. The subject is fully developed real estate and is best supported of the range as the above sales reflect unimproved commercial real estate. The estimated lot value is \$110,000 which indicates \$7.50 RND/SF.

CALCULATIONS: 735 SF @ \$7.50/SF = \$5,500 RND

The 2003 Assessed Value of the Land reflects \$6.54/SF

ESTIMATED VALUE OF ACQUISITION: \$5,500

VALUE ESTIMATE

PROPERTY INFORMATION:

PARCEL #	68	TAX ID #	003-247-10
OWNER:	Jeanne B Edwards		
ADDRESS:	3931 Helvetia Drive, Anchorage, AK 99508-5043		
PARCEL LOCATION:	3931 Helvetia Drive; between stations 357 & 359		
LEGAL DESCRIPTION:	Lot 9, Block 5, Geneva Woods Subdivision		
LEGAL DESCRIPTION:	Geneva Woods Block 5 Lot 9	2003 APPRAISED VALUE:	Land: \$85,200 Building: \$229,500 TOTAL: \$314,700
RIGHTS APPRAISED:	Fee Simple	VALUATION DATE:	12-13-03
ZONING:	RIA	INSPECTION DATE:	12-13-03
PRESENT USE:	Single Family Residence		
HIGHEST & BEST USE:	Single Family-Residential		
2003 ASSESSED VALUE:	Land: \$85,200	Building: \$229,500	TOTAL: \$314,700

PARCEL DESCRIPTION SUMMARY:

PARCEL AREA:	9,407 SF
AREA OF ACQUISITION:	9,407 SF
REMAINDER:	0 SF

DESCRIPTION OF ACQUISITION:

The acquisition is effectively a total take of the new home.

VALUATION ANALYSIS:

The subject is a new ranch home with a daylight basement constructed in 2001. MOA records indicate 2,240 SF above grade and 1,723 SF in a daylight basement. Attached is a two car garage with 838 SF. The quality of the subject is above average.

The 2003 Assessed Value is \$314,700

PARCEL 68 COMPARABLE RESIDENTIAL SALES

Address	Sales Date	Improvement	Sale Price	\$/SF excluding garage
2630 Lord Baranof DC# 365	11/26/03	2 sty, 4 bed , 2.75 bath, 3 car garage – built 2001, 2880 SF GBA	\$449,900	\$156.22
4009 Tazlina DC# 366	4/11/03	2 sty, 3 bed, 2.5 bath, 2 car garage – built 2002, 2880 SF GBA	\$439,900	\$154.74
2150 Glacier Ave. DC# 367	9/24/02	2 sty, 3 bed, 3.5 bath, 3 car garage – built 2001, 3130 SF GBA	\$484,900	\$154.92

CONCLUSION:

Above sales are all new homes in older established residential neighborhoods. Comparables indicate a consistent value range. Considering an upward adjustment for market conditions, a unit price of \$160/SF is indicated to the above grade living area and \$80/SF to the basement area. Market value develops as follows:

2240 SF @ \$160/SF = \$358,400
 1723 SF @ \$80/SF = \$137,840
TOTAL(rounded) = \$500,000

ESTIMATED VALUE OF ACQUISITION: \$500,000

Diane Black-Smith, MAI

Member Appraisal Institute - Member Number 6193

Alaska State Certification #31

Education

Graduated University of Washington (1970 - 1974) - Bachelor of Arts Degree

Graduated West Anchorage High School, 1970

Appraisal Courses Successfully Completed

SREA Appraisal Course 101	University of Alaska, 1974
AIREA Appraisal Course 1B	Seattle Pacific University, 1975
SREA Appraisal Course 201	University of Alaska, 1976
SREA Appraisal Course R-2	University of Alaska, 1979
AIREA Appraisal Course II	Case Studies University of Colorado, 1980 University of San Diego, 1985
AIREA Appraisal Course II	Report Writing, University of Colorado, 1980
AIREA Appraisal Course II	Standards of Professional Practice University of Portland, 1980 Anchorage, Alaska, 1987
AIREA Appraisal Course IV	Litigation Valuation University of Colorado, 1980 & 1985
Appraisal Institute	Standards of Professional Practice Parts A & B, 1991
IRWA Course 403	Easement Valuation, 1992
IRWA Course 802	Legal Aspects of Easements, 1992
IRWA Course 401	The Appraisal of Partial Acquisitions, 1994
Appraisal Institute	Standards of Professional Practice Part A (USPAP) and Part B, 1991 & 1995
Appraisal Institute Course 410 & 420	Standards of Professional Practice Part A (USPAP) and Part B, 2001
Appraisal Institute Course 410 & 420	USPAPS, 2002
Appraisal Institute	Intro to Statistics & Supporting Adjustments, 2002

Seminars

2003	Scope of Work – Appraisal Institute
2001	Partial Interest Valuation-Undivided – Appraisal Institute
2001	Partial Interest Valuation-Divided – Appraisal Institute
1999	Valuation of Detrimental Conditions in Real Estate - Appraisal Institute
1999	Appraisal of Special Purpose Properties - Appraisal Institute
1999	Appraisal of Nonconforming Issues - Appraisal Institute
1999	The Technical Inspection of Real Estate - Virgil H. Beckman, P.E.
1999	Eminent Domain and Condemnation Appraising - Appraisal Institute
1995	Appraisal Practices for Litigation, Appraisal Institute
1994	Debate and Open Forum on "Public Interest Value", American Society of Farm Managers and Rural Appraisers
1994	Understanding Limited Appraisals & Appraisal Reporting Options Alaska Chapter - Appraisal Institute
1993	Market Extractions, Alaska Chapter - Appraisal Institute
1993	Appraising Troubled Properties, Alaska Chapter - Appraisal Institute
1992	Course 403 - Easement Valuation, International Right of Way Association
1992	Course 802 - Legal Aspects of Easements, International Right of Way Association
1992	Under the Microscope: Highest and Best Use, Appraisal Institute
1992	Advanced Electronic Spreadsheet Lotus 1-2-3, Appraisal Institute
1992	Residential Appraisal Reports from a Reviewer's Perspective, Appraisal Institute
1991	General and Residential State Certification Review Seminar Appraisal Institute
1988	Alaska Condemnation Law and Procedures - Instructor
1987	Capitalization Workshop

PROFESSIONAL QUALIFICATIONS

Diane Black-Smith

Page 2

Numerous special seminars and workshops with the American Institute and Society of Real Estate Appraisers from 1974 through 1996. Accumulate an average of 20 credit hours annually for recertification credit with the Appraisal Institute.

Professional Recognition

Past President (1987)	Alaska Chapter No. 57 of Real Estate Appraisers
State Coordinator (1988)	National Appointment by AIREA to represent Alaska for Legislation in the Appraisal Industry.
Board Member	Municipality of Anchorage, Board of Equalization (Alternate 1986, 1987, and 1988)
Court Experience:	Qualified as an Expert Witness in the Alaska Superior Courts and Federal Bankruptcy Court

Employment History

Black-Smith and Richards, 2602 Fairbanks Street, Anchorage, Alaska
Owner/President - Established Company in December, 1980.

Fee Appraiser June 1977 to December 1980 with Appraisal Company of Alaska, and Noey and Associates, Anchorage, Alaska

Staff Appraiser - Department of Transportation and Public Facilities, State of Alaska, June 1975 to June 1977

Appraisal Experience

Diane Black-Smith, MAI is president and Chief Appraiser of Black-Smith and Richards, Inc., established in 1980. In addition to managing the business, Ms. Black-Smith is a full time commercial real estate appraiser. She is a member of the Appraisal Institute, having been awarded the MAI (Member Appraisal Institute) on November 6, 1980, Certificate Number 6193. She has been a resident of Alaska since 1963 and a full time Real Estate Appraiser in the Anchorage and Alaskan market since 1975. Prior to being a fee appraiser, she was employed by the Alaska Department of Transportation and Public Facilities as an appraiser/right-of-way agent. Ms. Black-Smith has served as President of the local chapter of the Appraisal Institute, education chairman and state chairman for Certification Legislation of Real Estate Appraisers. Her primary experience is in commercial appraisals, government appraisals and consultation on major land acquisitions and condemnation appraisals. She has completed appraisal assignments for acquisitions on the Parks Highway, 15th Avenue, Dimond Boulevard, A/C Couplet, Sterling Highway, Spenard Road, Lake Otis Parkway, Jewel Lake, Eagle River and Rabbit Creek Interchanges.

The Appraisal Institute conducts a voluntary program of continuing education for its designated members. MAI's and SRA's who meet the minimum standards of this program are awarded periodic educational certification. I am currently certified under this program.

PROFESSIONAL QUALIFICATIONS

Diane Black-Smith

Page 3

REFERENCES

Bill Inscho, Vice President
First National Bank of Anchorage
201 W. 36th Avenue
Anchorage, Alaska
(907) 777-3577

Mr. Chuck Gilbert
United States Dep't of the Interior
National Park Service
2525 Gambell Street, Room 107
Anchorage, Alaska 99503
257-2585

Mr. Mark Pfeffer, Architect/Developer
Koonce Pfeffer Inc.
425 G Street, Suite 800
Anchorage, Alaska 99501
(907) 274-7443

Mr. Tony Blomfield
The Blomfield Company
500 "L" Street, Suite 303
Anchorage, AK 99501
((907) 562-2766

Ms. Gladys M. Wilson
Municipality of Anchorage
Heritage Land Bank
P.O. Box 196650
Anchorage, Alaska 99519-6650
(907) 343-4333

Mr. James H. Smith, RPRA
USDA Forest Service - Alaska Region
P.O. Box 21628
Juneau, AK 99802-1628
(907) 586-7874

Mr. E. Corbett Carson, Vice President
Wells Fargo
301 W. Northern Lights Boulevard
P.O. Box 100600
Anchorage, AK 99510-0600
(907) 265-2140

Richard Todd
State of Alaska
Assistant Attorney General
Office of the Attorney General
(907) 269-5168

Judy Robinson
State of Alaska
Department of Natural Resources
Division of Mining, Land and Water
750 W. 7th Avenue, Suite 650
Anchorage, Alaska
(907) 269-8512

Mr. Alan Trawver, SR/WA
Trawver Land Services
7900 Upper O'Malley Road
Anchorage, Alaska 99516
(907) 346-2433

Mr. Steve Schuck
U.S. Fish and Wildlife Service
1011 East Tudor Road
Anchorage, Alaska
(907) 786-3426

Erick Havelock
Alaska Housing Finance Corp.
520 E. 34th Avenue
Anchorage, Alaska 99503
(907) 330-8461

Kathleen Broquet
Residential Mortgage
1400 West Benson Blvd, Ste 200
Anchorage, AK 99503
222-8800

No. 31

Effective: 06/20/2003

Expires: 06/30/2005

STATE OF ALASKA

DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT

Division of Occupational Licensing

P.O. Box 110806, Juneau, Alaska 99811-0806

BOARD OF CERTIFIED REAL ESTATE APPRAISERS

Certifies that

DIANE L BLACK-SMITH

Is a Certified

GENERAL REAL ESTATE APPRAISER

Commissioner: Edgar Blatchford

LIMITING CONDITIONS AND ASSUMPTIONS

By this notice, all persons and firms reviewing, utilizing or relying on this report in any manner bind themselves to accept these assumptions and limiting conditions. Do not use this report if you do not so accept. The following conditions are a part of the appraisal report, they are a preface to any certification, definition, fact or analysis, and are intended to establish as a matter of record that the appraiser's function is to provide a present market value indication for the subject property based upon the appraiser's observations as to the subject property and real estate market. This appraisal report is an economic study to estimate value as defined in it. It is not an engineering, construction, legal or architectural study nor survey and expertise in these areas, among others, is not implied.

Limit of Liability

The liability of Black-Smith & Richards, Inc. and employees and affiliated independent contractors, is limited to the client and the intended user only. Further there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The Appraiser is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property; physically, financially, and/or legally. In the case of limited partnerships or syndication offerings or stock offerings in real estate, client agrees that in case of lawsuit (brought by lender, partner or part owner in any form of ownership, tenant, or any other party), any and all awards, settlements of any type in such suit, regardless of outcome, client will hold Appraiser completely harmless in any such action.

Copies, Publication, Distribution, Use of Report

Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for other than its intended use; the physical report(s) remain the property of the Appraiser for the use of the client, the fee being for the analytical services only.

The Bylaws and Regulations of the Appraisal Institute require each Member and Associate to control the use and distribution of each appraisal report signed by such Member or Associate; except as hereinafter provided, the client may distribute copies of this appraisal report in its entirety to such third parties as he may select; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations, news, sales or other media for public communication without the prior written consent of the appraiser. (See last item in this list for client agreement/consent.)

Confidentiality and Use

This appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis as set forth in the report were prepared by the Appraiser(s) whose signature(s) appear on the appraisal report, unless indicated as "Review Appraiser". No change of any item in the report shall be made by anyone than the Appraiser and/or officer of the firm. The Appraiser and firm shall have no responsibility if any such unauthorized change is made.

The Appraiser may not divulge the material (evaluation) contents of the report, analytical findings of conclusions, or give a copy of the report to anyone other than the client or his designee as specified in writing except as may be required by the Appraisal Institute as they may request in confidence for ethics enforcement, or by a court of law or body with the power of subpoena.

Trade Secrets

This appraisal was obtained from Black-Smith & Richards, Inc., or related independent contractors and consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempted from disclosure under 5 U.S.C. 552 (b) (4). Notify the Appraiser(s) signing report or an officer of Black-Smith & Richards, Inc., of any request to reproduce this appraisal in whole or part.

Information Used

No responsibility is assumed for accuracy of information furnished by work of or work by others, the client, his designee, or public records. We are not liable for such information or the work of possible subcontractors. Be advised that some of the people associated with Black-Smith & Richards, Inc., and possibly signing the report, are independent contractors. The comparable competitive data and market information relied upon this report has been confirmed, to the extent reasonably possible, with one or more parties familiar with the transaction or from affidavit or other source though reasonable; all are considered appropriate for inclusion to the best of our

factual judgment and knowledge. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market related information. It is suggested that the client consider independent verification as a prerequisite to any transaction involving sale, lease, or other significant commitment of funds or subject property.

Testimony, Consultation, Completion of Contract for Appraisal Services

The contract for appraisal consultation or analytical services is fulfilled, and the total fee is payable upon completion of the report. The Appraiser(s) or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post appraisal consultation with client or third parties except under separate and special arrangement and at additional fee. If testimony or deposition is required because of any subpoena, the client shall be responsible for any additional time, fees, and charges regardless of issuing party.

Exhibits

The generalized sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Site plans are not surveys unless shown from separate surveyor.

Property Components, Soils and Legal Considerations

The appraiser and/or firm has no responsibility for matters legal in character or nature, nor of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of this report.

The legal description is assumed to be correct as used in this report as furnished by the client, his designee, or as derived by the Appraiser.

Please note that no advise is given, or opinion implied other than stated in this report, regarding mechanical or plumbing equipment, structural integrity or adequacy, nor soils and potential for settlement, drainage, and such (seek assistance from qualified architect and/or engineer) nor matters concerning liens, title status, and legal marketability (seek legal assistance), and such. The lender or owner may wish to require mechanical or structural inspections by qualified and licensed contractor, civil or structural engineer, architect, or other expert.

The Appraiser has inspected as far as possible, by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soils or hidden structural, or other components. We have not critically inspected mechanical components of any type within the improvements and no representations are made herein as to (or to) these matters unless estimate considers there being no conditions that would cause a loss of value.

Dollar, Values, Purchasing Power

The market value estimated, and the costs used, are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate.

Inclusions

Furnishings and equipment or personal property or business operations, except as specifically indicated and typically considered as a part of real estate, have been disregarded with only the real estate being considered in the value estimate unless otherwise stated. In some property types, business and real estate interests and values may be and are combined.

Proposed Improvements, Conditioned Value

Improvements proposed, if any, on or off-site, as well as any repairs required are considered for purposes of this appraisal it be completed in good and workmanlike manner according to information submitted and/or considered by the appraisers. In cases of proposed construction, the appraisal is subject to change upon inspection of the property after construction is completed. This estimate of market value is as of the date shown, as proposed, as if completed and operating at levels shown and projected or as specifically labeled in the report.

Market Value: Defined, In Report, Change, Dynamic Market, Influences, Alteration of Estimate by Appraiser

The estimated market value, which is defined in the report, is subject to change with market changes over time; value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value or investment value or value in use is a reflection of such benefits and Appraiser's interpretation of income and yields and other factors derived from general and specific client and market information.

Such estimates are as of the date of the estimate of value; they are thus subject to change as the market and value is naturally dynamic.

The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

This appraisal report and value estimate are subject to change if physical or legal entity or financing is different than that envisioned in this report.

The land or soil of the area being appraised appears firm, unless otherwise noted; however, subsidence in the area is unknown. The Appraiser(s) do not warrant against this condition or occurrence or problems arising from soil conditions. The appraisal is based on there being no hidden, inapparent, or apparent conditions of the property site, subsoil, or structures or toxic materials which would render it more or less valuable. The appraiser and firm have no responsibility for any such condition or for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment is considering to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment may be made by us as to adequacy of insulation, type of insulation, or energy rating or energy efficiency of the improvements or equipment which is assumed standard for subject age and type.

If the Appraiser has not been supplied with a water and sewer adequacy test, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining the above mentioned items. The Appraiser has no responsibility for any costs or consequences arising due to the need, or the lack of need for flood hazard insurance. An Agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

Legality of Use

The appraisal is based on the premises that, there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, use regulations and restrictions of all types have been complied with unless otherwise stated in this report; further, it is assumed that all required licenses, consents, permits or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or can be obtained or renewed for any use considered in the value estimate.

Component Values

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

Auxiliary and Related Studies

No environmental or impact studies, special market study or analysis, highest and best use analysis study or feasibility study has been requested or made unless otherwise specified in agreement for services or in the report.

Management of the Property

It is assumed that the property which is the subject of this report will be under prudent and competent ownership, care and management; being neither inefficient nor super-efficient.

Continuing Education Current

The Appraisal Institute conducts a mandatory program of continuing education for its designated members, MAI Designates who meet the minimum standards of this program are awarded periodic educational certification and; MAI(s) signing the report is/are currently under this program.

Authentic Copies

The authentic copies of this report are signed in blue ink. Any copy that does not have the above is unauthorized and may be altered.

Insulation and Toxic Materials

Unless otherwise stated in this report, the Appraiser(s) signing this report have no knowledge concerning the presence or absence of toxic materials and/or urea-formaldehyde foam insulation in existing improvements; if such is present the value of the property may be adversely affected and reappraisal at additional cost necessary to estimate the effects of such. It is assumed there are no hazardous wastes buried or otherwise deposited on or under or dangerously near the subject site. No visual evidence of such waste was noted in the inspection, but no studies have been done to determine the presence or absence of such hazardous wastes the appraiser has no liability for any hazardous material that may be found to be present or to affect the site.

Review

Unless otherwise noted herein, named review Appraiser of/from Black-Smith & Richards, Inc., has reviewed the report only as to general appropriateness of technique and format, and has not necessarily inspected the subject or market comparable properties.

Changes, Modifications

The Appraisers and/or officers of Black-Smith & Richards, Inc., reserve the right to alter statements, analysis, conclusion or any value estimate in the appraisal if there becomes known to us facts pertinent to the appraisal process which were unknown to us when the report was finished.

Acceptance of, and/or use of, this appraisal report by client or any third party constitutes acceptance of the above conditions. Appraiser liability extends only to stated client, not subsequent parties or users of any type. Retention and or use of the report signifies acceptance of all assumptions and limiting conditions specified.