

Introduced By: Mayor Eberhart  
Date: July 25, 2016

**ORDINANCE NO. 6028, AS AMENDED**

**AN ORDINANCE AUTHORIZING THE SALE OF CITY REAL  
PROPERTY TO TANANA CHIEFS CONFERENCE TO FACILITATE  
EXPANSION OF THE CHIEF ANDREW ISAAC HEALTH CENTER**

**WHEREAS**, the City is the owner of Lot 2, Tanana Chiefs Medical Center Subdivision, containing 13.5 acres, more or less, and lying generally west of Cowles Street and south of Eagan Avenue; and

**WHEREAS**, in 2010 the City conveyed five acres adjoining the parcel mentioned above at market value to Tanana Chiefs Conference (TCC) for the purpose of constructing the Chief Andrew Isaac Health Center ("Health Center"); and

**WHEREAS**, since completion of the Health Center, the demand for services has increased such that TCC is now planning for future expansion, intended to occur in approximately 2020; and

**WHEREAS**, TCC, through its President and by resolution of the full TCC Board of Directors, has requested purchase of 3.5 acres to be subdivided out of the City's Lot 2 for the proposed future expansion; and

**WHEREAS**, for these purposes, the estimated value of the property is \$1,052,000.00, with the true and final sales price to be determined by an independent real estate appraiser, with the appraiser's valuation to be approved by Council resolution; and

**WHEREAS**, TCC's intended use of the property will require a rezone as a contingency to the proposed transaction; this contingency is set forth in the attached "Exhibit A" Real Estate Purchase and Sale Agreement; and

**WHEREAS**, it is the sense of the City Council that sale of the land to TCC for expansion of the Health Center is in the best interest of the public; and

**WHEREAS**, sale of real property to a non-profit is not subject to public offering.


**NOW THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:**

**SECTION 1.** That "Exhibit A" Real Estate Purchase and Sale Agreement is approved for use in this transaction.

**SECTION 2.** That the Mayor is hereby authorized to execute the Agreement and all such other legal documents as may be necessary to complete the transaction on behalf of the City.

**SECTION 3.** That conveyance of the property shall be subject to a thirty-day permissive referendum period as required under Fairbanks General Code of Ordinances Section 70-42 and the City Charter. It is the Council's intent that the proceeds from the sale be escrowed and applied to the purchase of adjacent property from the State of Alaska for use as a snow storage site.

**SECTION 4.** That the effective date of this Ordinance shall be the 27th day of August 2016.




\_\_\_\_\_  
JOHN EBERHART, Mayor

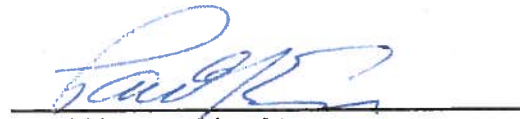
AYES: Matherly, Rogers, Huntington, Gatewood, Pruhs  
NAYS: Cleworth  
ABSENT: None  
ADOPTED: August 22, 2016

ATTEST:

APPROVED AS TO FORM:



\_\_\_\_\_  
D. Danyielle Snider, CMC, City Clerk



\_\_\_\_\_  
Paul Ewers, City Attorney

**EXHIBIT "A" TO ORDINANCE NO. 6028, AS AMENDED**

**REAL ESTATE PURCHASE and SALE AGREEMENT**

THIS AGREEMENT is made between the Parties:

The CITY OF FAIRBANKS, a municipal corporation of the State of Alaska, whose address is 800 Cushman Street, Fairbanks, Alaska 99701, hereinafter referred to as the "SELLER"; and

TANANA CHIEFS CONFERENCE, a nonprofit corporation of the State of Alaska, whose address is 122 First Avenue, Suite 600, Fairbanks, Alaska, 99701, hereinafter referred to as "PURCHASER"

For and in consideration of the mutual promises set forth below, SELLER and PURCHASER agree as follows:

1. PURCHASE AND SALE OF REAL PROPERTY. SELLER agrees to sell to PURCHASER, and PURCHASER agrees to buy from SELLER, that certain real property more particularly described as:

**SALE PROPERTY:**

A Tract of land containing 3.5 acres, as near may be, the same being a portion to be created out of Lot 2 Tanana Medical Center Subdivision, according to the plat filed May 25, 2010 as Plat Number 2010-54, Fairbanks Recording District, Fourth Judicial District, State of Alaska, shown in preliminary form on "ATTACHMENT A" to this Agreement.

2. EARNEST MONEY DEPOSIT: Ten Thousand and 00/100 Dollars (\$10,000.00) evidenced by: Check payable to the City of Fairbanks, to be transferred to Yukon Title Company upon execution of this Agreement, received from PURCHASER, as part payment of the purchase price set forth below:

3. PURCHASE PRICE. For these purposes, the estimated value of the property is \$1,052,000.00, with the true and final sales price to be determined by an independent real estate appraiser, with the appraiser's valuation to be approved by Council resolution; and

Payable as Follows:

All cash to the City as SELLER at time of closing of this transaction.

#### 4. CONDITIONS PRECEDENT:

The following conditions must be satisfied by the Parties as designated below prior to and as a condition of closing of this transaction:

##### 4.1 Due Diligence Investigations

PURCHASER shall have sixty (60) days from date of this Agreement to enter upon the property subject to this Purchase and Sale Agreement for the purpose of conducting due diligence inspections, including soils analysis or environmental investigation and such other inspection as it sees fit, bearing all cost for same. If, as a result of due diligence inspection, PURCHASER finds the property unsuitable for its purposes, this Agreement shall be terminated and the Earnest Money Deposit refunded.

##### 4.2 Subdivision of Lot 2, Tanana Medical Center Subdivision

SELLER shall cause the intended tract of 3.5 acres to be created by subdividing Lot 2, which shall be conveyed to PURCHASER, the balance retained by SELLER, all in accordance with the Fairbanks North Star Borough Title 17 Subdivision Ordinance.

##### 4.3 Rezone of the Property

PURCHASER shall, with the assistance of the SELLER, cause the intended tract of land to be re-zoned from its existing use zone to General Commercial District or other acceptable zone, all in accordance with the Fairbanks North Star Borough Title 18 Zoning Ordinance, which shall be a condition precedent to closing.

##### 4.4 Conditions Subsequent – City Operations

PURCHASER acknowledges that the City of Fairbanks' historic, current, and future use of the remainder portion of Lot 2, and City property adjacent and to the west, is for municipal snow storage activities, including operation of heavy equipment. PURCHASER recognizes that snow storage operations are inherently noisy and visually unattractive **and that the SELLER'S snow removal operations can run seven days per week, 24 hours per day. PURCHASER specifically waives any claims against SELLER related to the SELLER'S snow removal operations, and**—Any desired or necessary mitigation of this condition, including the effectiveness of same, shall be the burden and duty of PURCHASER, bearing all costs therefore. This condition shall survive closing of this transaction.

5. TITLE: At closing, SELLER shall convey marketable title to the property to the PURCHASER subject only to benign covenants and easements of record, none of which affect the marketability of the SELLER's title. PURCHASER shall obtain a policy of title insurance insuring the title of the PURCHASER in the full amount of the purchase price, and the premium for said policy shall be paid by PURCHASER. If SELLER cannot

furnish marketable title, this transaction may be terminated by PURCHASER at its discretion.

6. EASEMENTS and ENCUMBRANCES. Rights reserved in Federal Patents, Territorial or State Deeds, Zoning Regulations, benign easements and subdivision covenants, if any, shall not be deemed as encumbrances to be discharged. All properties shall be delivered to the PURCHASER at time of closing free of all mortgages, liens, judgments, and any taxes or assessments in default or arrears. The amount of any such encumbrances which are now known liens on the property shall be paid by SELLER.

7. PRORATING. No prorating is required for closing of this transaction.

8. CLOSING COSTS. Closing costs, meaning those costs ordinarily incidental to closing a real estate transaction such as escrow fees, and preparation and recordation of documents required for closing, shall be paid for equally by SELLER and PURCHASER, unless noted otherwise.

9. CLOSING AND ESCROW: The closing of this transaction shall be held at the earliest practical date consistent with the terms and conditions herein. However, closing shall be held no later than 180 days from the date of acceptance shown below. Such closing shall be escrowed with and processed by Yukon Title Company of Fairbanks. A copy of this Agreement shall be deposited with the escrow agent by SELLER, which Agreement shall serve as the escrow instructions.

10. CLOSING DOCUMENTS:

(a) SELLER shall execute and deliver to the escrow agent a Statutory Warranty Deed conveying the parcel created out of Lot 2 to the PURCHASER.

(b) All other conditions precedent to closing shall have been performed as described.

11. POSSESSION: At close of sale.

12. RISK OF LOSS. Risk of loss due to fire, earthquake, acts of God, or other calamity shall rest on the SELLER until closing, and the PURCHASER has the option to rescind this Agreement if such event shall occur or close the transaction as provided hereafter. If the PURCHASER chooses to proceed with the closing, the SELLER agrees to reduce the total purchase price and the amounts due to the SELLER at closing by the amount of the loss. Such loss shall be determined in accordance with such reasonable methods of valuation as may be agreed upon between the parties at the time of such loss.

13. WAIVER OF ALASKA STATUTE 34.70. The parties agree that AS 34.70 does not apply to this transaction and waive the applicability of AS 34.70.

14. AGENTS, COMMISSIONS AND PROFESSIONAL ADVICE. Neither party is represented by a real estate broker or other person to whom a commission is owed in connection with this transaction. Each party has consulted with, or has had an opportunity to consult with, the party's own independent advisors, including experts, attorneys, and tax advisors. Other provisions of this Agreement notwithstanding, each party shall bear its own costs under this section.

15. ENTIRE AGREEMENT: There are no verbal or other agreements which modify or affect this Agreement.

16. TIME: Time is of the essence for this Agreement, and performance in accordance with the terms and conditions hereunder shall be given the highest possible priority by the parties.

17. SURVIVAL AND SUCCESSION: The terms and conditions of this Agreement shall survive the completion of the transaction that is the subject of this Agreement and shall be binding upon the heirs, successors, or assigns of the parties hereto.

PURCHASER:

SELLER:

\_\_\_\_\_  
TANANA CHIEFS CONFERENCE  
By: VICTOR JOSEPH  
Title: President  
Date \_\_\_\_\_

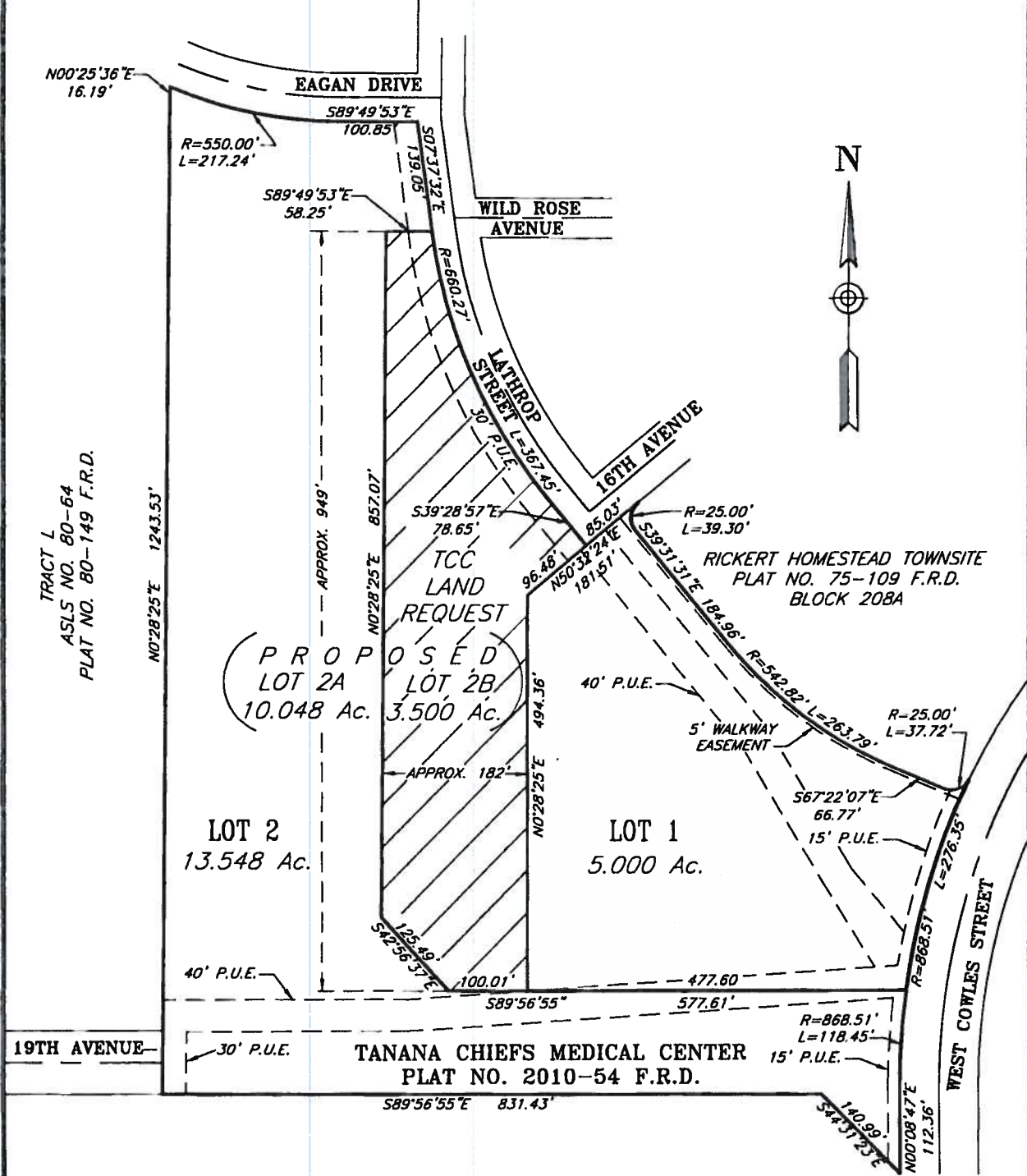
\_\_\_\_\_  
CITY OF FAIRBANKS  
By: JOHN EBERHART  
Title: Mayor  
Date \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
PAUL EWERS, City Attorney  
Date \_\_\_\_\_

# ATTACHMENT "A"

## TO REAL ESTATE PURCHASE AGREEMENT (ORDINANCE NO. 6028)



PRELIMINARY PLAT DRAWING

SCALE: 1"=200'

## **REAL ESTATE PURCHASE, EXCHANGE and SELL AGREEMENT**

THIS AGREEMENT is made between the Parties:

The CITY OF FAIRBANKS, a municipal corporation of the State of Alaska, whose address is 800 Cushman Street, Fairbanks, Alaska 99709, hereinafter referred to as the "SELLER"; and

TANANA CHIEFS CONFERENCE, a nonprofit corporation of the State of Alaska, whose address is 122 First Avenue, Suite 600, Fairbanks, Alaska, 99701, hereinafter referred to as "PURCHASER"

For and in consideration of the mutual promises set forth below, SELLER and PURCHASER agree as follows:

1. PURCHASE AND SALE OF REAL PROPERTY. SELLER agrees to sell to PURCHASER, and PURCHASER agrees to buy, that certain real property, more particularly described as:

### **TANANA CHIEFS MEDICAL CENTER SUBDIVISION**

Lot 2B containing 3.5 acres, according to the preliminary re-plat of Tanana Chiefs Medical Center Subdivision, Fairbanks, Alaska, containing 3.5 acres.

2. EARNEST MONEY DEPOSIT: Ten Thousand and 00/100 Dollars (\$10,000.00) evidenced by: Check payable to the City of Fairbanks, and to be transferred to Yukon Title Company upon execution of this Agreement, received from PURCHASER, as part payment of the purchase price, set forth below:

3. PURCHASE PRICE. The total purchase price of: **\$1,000,000.00**, payable in full at closing, and as set forth below:

Payable as Follows:

REAL ESTATE EXCHANGE: SELLER has identified two properties available for conveyance to itself by PURCHASER at closing of this transaction, briefly described as follows:

Exchange Parcel A: Lot 1, Bentley Trust Property 4<sup>th</sup> Addition.

And

Exchange Parcel B: Tract A-1, Lazelle Estates Northern Addition.



The PURCHASER, as part consideration for the Purchase Price shall purchase and convey the above mentioned real property to the SELLER, the difference between the sales price and the value of such exchange property is \$50,500, and shall be paid in cash at close of sale.

The payment described above includes all compensation which may be due the SELLER in connection with PURCHASER'S acquisition of the Property.

#### 4. CONDITIONS PRECEDENT:

##### 4.1 Due Diligence Investigations

Both SELLER and PURCHASER have completed their respective due diligence investigations. PURCHASER has completed inspections of the Lot 2B Tanana Chiefs Medical Center Subdivision property, and is fully satisfied with its condition. SELLER has completed inspections of the exchange properties, including Lot 1 Bentley Trust Property 4<sup>th</sup> Addition, and of Tract A-1, Lazelle Estates Northern Addition, and is fully satisfied with the condition of these properties. The properties are sold and exchanged as-is, where-is, **with all of their faults and benefits.**

##### 4.2 D Street Temporary Road Maintenance.

SELLER acknowledges that Tract A-1, Lazelle Estates Northern Addition has a temporary road extension on "D" street that was maintained by the property's previous owner prior to PURCHASER's ownership. SELLER agrees that with the completion of this sale PURCHASER will be relieved of any and all responsibility and liability of any nature related to the above stated temporary road.

##### 4.3 Indemnification:

**The Seller will defend, indemnify and hold Purchaser harmless from any and all causes of action or claims, known or unknown, that arise from the exchange of properties, including but not limited to environmental claims of any nature whatsoever, whether by a person or by a governmental agency.**

#### 5. CONDITIONS SUBSEQUENT:

##### 5.1 CITY OPERATIONS, Lot 2B SALE PROPERTY REMAINDER

PURCHASER acknowledges that the SELLER'S historic, current, and future use of adjoining Lot 2 Tanana Chiefs Medical Center Subdivision for municipal snow storage activities, including operation of heavy equipment. PURCHASER recognizes and accepts that snow storage operations are inherently noisy and visually unattractive.

Any desired or necessary mitigation of this condition, including the effectiveness of same, shall be the burden and duty of PURCHASER, bearing all costs therefore.

**6. RIGHT OF FIRST REFUSAL:** In consideration of the mutual promises and covenants herein, SELLER hereby grants to PURCHASER a first right of refusal on said Lot 2, Tanana Chiefs Medical Center Subdivision. In the event that SELLER elects to sell some or all of this property, it shall be offered first to PURCHASER at the same price and terms approved by the City Council for offer to others. Should the approved price and terms subsequently be offered to others in a reduced manner, PURCHASER shall have the same right of first refusal. SELLER shall execute a document for these purposes, and record same in the Fairbanks District Recorder's Office.

**7. TITLE – Lot 2B Tanana Chiefs Medical Center Subdivision:** At closing, SELLER shall convey marketable title to this property to the PURCHASER subject only to benign covenants and easements of record, none of which affect the marketability of the SELLER's title. PURCHASER shall obtain a policy of title insurance insuring the title of the PURCHASER in the full amount of the purchase price, and the premium for said policy shall be paid by PURCHASER. If SELLER cannot furnish marketable title, this transaction may be terminated by PURCHASER at its discretion.

**7. 1 TITLE: EXCHANGE PROPERTY:**

a) Lot 1, Bentley Trust Property 4<sup>th</sup> Addition

b) Tract A-1 Lazelle Estates Northern Addition

PURCHASER shall convey marketable title to the Exchange Properties to the SELLER subject only to benign covenants and easements of record, none of which affect the marketability of the SELLER's title. SELLER shall obtain a policy of title insurance insuring the title of the SELLER in the full amount of the purchase price, and the premium for said policy shall be paid by SELLER. If PURCHASER cannot furnish marketable title, this transaction may be terminated by SELLER at its discretion.

**8. EASEMENTS and ENCUMBRANCES:** Rights reserved in Federal Patents, Territorial or State Deeds, Zoning Regulations, benign easements and subdivision covenants, if any, shall not be deemed as encumbrances to be discharged. All properties shall be delivered to the PURCHASER of such property at time of closing free of all mortgages, liens, judgments, and any taxes or assessments in default or arrears. The amount of any such encumbrances which are now known liens on the property shall be paid by SELLER of the property.

**9. PRORATING.** Current taxes shall be prorated as of the date of closing.

**10. CLOSING COSTS.** Closing costs, meaning those costs ordinarily incidental to closing a real estate transaction such as escrow fees, and preparation and recordation

of documents required for closing, shall be paid for equally by SELLER and PURCHASER.

11. **CLOSING AND ESCROW:** The closing of this transaction shall be held at the earliest practical date consistent with the terms and conditions herein. However, closing shall be held no later than 60 days from the date of acceptance shown below. Such closing shall be escrowed with and processed by Yukon Title Company, of Fairbanks Alaska. A copy of this agreement shall be deposited with the escrow agent by SELLER, which agreement shall serve as the escrow instructions.

12. **CLOSING DOCUMENTS:**

(a) SELLER shall execute and deliver to the escrow agent a Statutory Warranty Deed conveying the Lot 2B Tanana Chiefs Medical Center Subdivision to the PURCHASER.

(b) PURCHASER shall execute and deliver to the escrow agent Statutory Warranty Deeds conveying the Exchange Properties to the SELLER.

(c) PURCHASER shall deliver to the escrow agent in cash or cashier's check, the \$50,500 difference in value between the Lot 2B Tanana Medical Chiefs Center Subdivision purchase price of \$1,000,000.00, and the value of the Exchange Properties.

(d) All other conditions precedent to closing shall have been performed as described.

13. **POSSESSION:** At close of sale.

14. **RISK OF LOSS.** Risk of loss due to fire, earthquake, acts of God, or other calamity shall rest on the SELLER until closing and the PURCHASER has the option to rescind this agreement if such event shall occur or close the transaction as provided hereafter. If the PURCHASER chooses to proceed with the closing, the SELLER agrees to reduce the total purchase price and the amounts due to the SELLER at closing by the amount of the loss. Such loss shall be determined in accordance with such reasonable methods of valuation as may be agreed upon between the parties at the time of such loss.

15. **HAZARDOUS WASTES/MATERIALS.** Each Party represents and warrants the following:

(a) It did not cause or allow any contamination of hazardous waste or hazardous materials on the Property during their respective ownership of the Property.

(b) PURCHASER is aware of some prior contamination of the Lazelle Estates property attributable to the military fuel storage tanks located immediately above the property and has provided all information they have including an environmental

assessment completed by Travis Peterson Environmental Consulting on the property in 2005 to the SELLER. SELLER accepts these conditions, together with any associated risk, as stated under 4.1 and 4.3 above, "Due Diligence Investigations" and "Indemnification."

(c) No actions, suits, claims or other proceedings have commenced either regarding the disposal, discharge or release of hazardous material at or from the Property or alleging a violation or noncompliance with any environmental law.

16. WAIVER OF ALASKA STATUTE 34.70. The parties agree that AS 34.70 does not apply to this transaction and waive the applicability of AS 34.70.

17. AGENTS, COMMISSIONS AND PROFESSIONAL ADVICE. Neither party is represented by a real estate broker or other person to whom a commission is owed in connection with this transaction. Each party has consulted with, or has had an opportunity to consult with, the party's own independent advisors, including experts, attorneys and tax advisors. Other provisions of this agreement notwithstanding, each party shall bear its own costs under this section.

18. OTHER AGREEMENTS: There are two other agreements which modify or affect this Agreement, including and limited to a Purchase and Sale Agreement for each of the Exchange Properties between Purchaser and the respective owners of the Exchange Properties. There are no other agreements which modify or affect this Agreement.

19. TIME: Time is of the essence of this agreement and performance in accordance with the terms and conditions hereunder shall be given the highest possible priority by the parties hereto.

20. SURVIVAL AND SUCCESSION: The terms and conditions of this Agreement shall survive the completion of the transaction that is the subject of this Agreement and shall be binding upon the heirs, successors or assigns of the parties hereto.

PURCHASER:

*BR EFO*

TANANA CHIEFS CONFERENCE

By: VICTOR JOSEPH

Title: President

Date 7/24/17

for

SELLER:

*[Signature]*

CITY OF FAIRBANKS

By: JIM MATHERLY

Title: Mayor

Date 24 July 17

APPROVED AS TO FORM:

*[Signature]*

PAUL EWERS, City Attorney

Date 7/25/17

## **REAL ESTATE PURCHASE and SALE AGREEMENT**

THIS AGREEMENT is made between the Parties:

NORTHRIM BANK whose address is P.O. Box 241489, Anchorage, Alaska, 99524-1489, hereinafter referred to as "SELLER"; and

TANANA CHIEFS CONFERENCE, a nonprofit corporation of the State of Alaska, whose address is 122 First Avenue, Suite 600, Fairbanks, Alaska, 99701, hereinafter referred to as "PURCHASER"

For and in consideration of the mutual promises set forth below, SELLER and PURCHASER agree as follows:

1. PURCHASE AND SALE OF REAL PROPERTY. SELLER agrees to sell to PURCHASER, and PURCHASER agrees to buy from SELLER, that certain real property more particularly described as:

Tract A-1, Lazelle Estates Northern Addition, according to the plat filed June 16, 2016 as Plat Number 2016-44.

2. EARNEST MONEY DEPOSIT: Five Thousand and 00/100 Dollars (\$5,000.00) evidenced by: Check payable to Yukon Title Company of Fairbanks, Alaska, upon execution of this Agreement, received from PURCHASER, as part payment of the purchase price, set forth below:

3. PURCHASE PRICE. \$450,000.00.

Payable as Follows:

All cash to NORTHRIM BANK as SELLER at time of closing of this transaction.

4. CONDITIONS PRECEDENT:

The following conditions must be satisfied by the Parties as designated below prior to and as a condition of closing of this transaction:

### 4.1 Due Diligence Investigations

PURCHASER is aware of prior contamination of the Lazelle Estates Northern Addition property attributable to the military fuel storage tanks located immediately adjacent the property and a temporary road maintained by Seller as described in Section 4.2. PURCHASER accepts no current or future liability for these conditions. PURCHASER intends to convey the property to the City of Fairbanks as part of a simultaneous escrow closing as part of a real estate exchange. The City of Fairbanks, as ultimate purchaser of the property, will accept the property in it's as-is, where is condition, with all of its faults or benefits. See below, Section 15 "Associated Agreement".

#### 4.2 D Street Temporary Road Maintenance.

PURCHASER acknowledges that since acquiring the property the SELLER has maintained the temporary road extension of "D" street. SELLER acknowledges this sale is contingent on the completion of the ASSOCIATED AGREEMENT calling for the exchange of this property with the City of Fairbanks. PURCHASER agrees that with the completion of this sale SELLER will be relieved of any further responsibility of maintaining this temporary road.

5. TITLE: At closing, SELLER shall convey marketable title to the property to the PURCHASER subject only to benign covenants and easements of record, none of which affect the marketability of the SELLER's title. PURCHASER shall obtain a policy of title insurance insuring the title of the PURCHASER in the full amount of the purchase price, and the premium for said policy shall be paid by PURCHASER. If SELLER cannot furnish marketable title, this transaction may be terminated by PURCHASER at its discretion.

6. EASEMENTS and ENCUMBRANCES. Rights reserved in Federal Patents, Territorial or State Deeds, Zoning Regulations, benign easements and subdivision covenants, if any, shall not be deemed as encumbrances to be discharged. All properties shall be delivered to the PURCHASER at time of closing free of all mortgages, liens, judgments, and any taxes or assessments in default or arrears. The amount of any such encumbrances which are now known liens on the property shall be paid by SELLER.

7. PRORATING. Real property taxes shall be pro-rated as of the date of closing of this transaction.

8. CLOSING COSTS. Closing costs, meaning those costs ordinarily incidental to closing a real estate transaction, such as escrow fees, and preparation and recordation of documents required for closing, shall be paid for equally by SELLER and PURCHASER, unless noted otherwise.

9. CLOSING AND ESCROW: The closing of this transaction shall be held at the earliest practical date consistent with the terms and conditions herein. However, closing shall be held no later than 60 days from the date of acceptance shown below. Such closing shall be escrowed with and processed by Yukon Title Company of Fairbanks. A copy of this Agreement shall be deposited with the escrow agent by SELLER, which Agreement shall serve as the escrow instructions.

#### 10. CLOSING DOCUMENTS:

(a) SELLER shall execute and deliver to the escrow agent a Statutory Warranty Deed conveying the referenced real property to the PURCHASER.

(b) All other conditions precedent to closing shall have been performed as described.

11. POSSESSION: At close of sale.

12. RISK OF LOSS. Risk of loss due to fire, flood, earthquake, acts of God, or other calamity shall rest on the SELLER until closing, and the PURCHASER has the option to rescind this Agreement if such event shall occur or close the transaction as provided hereafter. If the PURCHASER chooses to proceed with the closing, the SELLER agrees to reduce the total purchase price and the amounts due to the SELLER at closing by the amount of the loss. Such loss shall be determined in accordance with such reasonable methods of valuation as may be agreed upon between the parties at the time of loss.

13. WAIVER OF ALASKA STATUTE 34.70. The parties agree that AS 34.70 does not apply to this transaction and waive the applicability of AS 34.70.

14. AGENTS, COMMISSIONS AND PROFESSIONAL ADVICE. PURCHASER acknowledges the SELLER has listed the property with a real estate broker, Melody Macchione of Fairbanks Home Source, and the SELLER will be responsible for paying the sales commission in connection with this transaction. Each party has consulted with, or has had an opportunity to consult with, the party's own independent advisors, including experts, attorneys, and tax advisors. Other provisions of this Agreement notwithstanding, each party shall bear its own costs under this section.

15. ASSOCIATED AGREEMENT: This Agreement is associated with and contingent upon that certain Real Estate Purchase, Exchange And Sell Agreement, between the City of Fairbanks and Tanana Chiefs Conference, records of the City Clerk, City of Fairbanks, 800 Cushman Street, Fairbanks, Alaska, 99701, incorporated hereto as though set out in full. There are other no verbal or other written Agreements which modify or affect this Agreement.

16. TIME: Time is of the essence of this Agreement and performance in accordance with the terms and conditions hereunder shall be given the highest possible priority by the parties hereto.

17. SURVIVAL AND SUCCESSION: The terms and conditions of this Agreement shall survive the completion of the transaction that is the subject of this Agreement and shall be binding upon the heirs, successors or assigns of the parties hereto.

PURCHASER:



TANANA CHIEFS CONFERENCE

By: VICTOR JOSEPH

Title: President

Date 7/24/17

SELLER:



NORTHTRIM BANK

By: William J. Simpson

Title: Assistant Vice President  
Date 7/25/17

for

## **REAL ESTATE PURCHASE and SALE AGREEMENT**

THIS AGREEMENT is made between the Parties:

JJS DEVELOPMENT LLC, whose address is P.O. Box 72578, Fairbanks, Alaska, 99707, hereinafter referred to as "SELLER"; and

TANANA CHIEFS CONFERENCE, a nonprofit corporation of the State of Alaska, whose address is 122 First Avenue, Suite 600, Fairbanks, Alaska, 99701, hereinafter referred to as "PURCHASER"

For and in consideration of the mutual promises set forth below, SELLER and PURCHASER agree as follows:

1. PURCHASE AND SALE OF REAL PROPERTY. SELLER agrees to sell to PURCHASER, and PURCHASER agrees to buy from SELLER, that certain real property more particularly described as:

Lot 1, Bentley Trust Property 4<sup>th</sup> Addition, according to the plat filed May 3, 2013, 2016 as Plat Number 2013-41.

2. EARNEST MONEY DEPOSIT: FIVE Thousand and 00/100 Dollars (\$5,000.00) evidenced by: Check payable to Yukon Title Company of Fairbanks Alaska, upon execution of this Agreement, received from PURCHASER, as part payment of the purchase price, set forth below:

3. PURCHASE PRICE. **\$499,500.00.**

Payable as Follows:

All cash to JJS DEVELOPMENT LLC, as SELLER, at time of closing of this transaction.

4. CONDITIONS PRECEDENT:

The following conditions must be satisfied by the Parties as designated below prior to and as a condition of closing of this transaction:

### 4.1 Due Diligence Investigations

PURCHASER accepts no current or future liability for property conditions. PURCHASER intends to convey the property to the City of Fairbanks as part of a simultaneous escrow closing as part of a real estate exchange. The City of Fairbanks, as ultimate purchaser of the property, will accept the property in it's as-is, where is condition, with all of its faults or benefits. See below, Section 15 "Associated Agreement".



5. **TITLE:** At closing, SELLER shall convey marketable title to the property to the PURCHASER subject only to benign covenants and easements of record, none of which affect the marketability of the SELLER's title. PURCHASER shall obtain a policy of title insurance insuring the title of the PURCHASER in the full amount of the purchase price, and the premium for said policy shall be paid by PURCHASER. If SELLER cannot furnish marketable title, this transaction may be terminated by PURCHASER at its discretion.

6. **EASEMENTS and ENCUMBRANCES.** Rights reserved in Federal Patents, Territorial or State Deeds, Zoning Regulations, benign easements and subdivision covenants, if any, shall not be deemed as encumbrances to be discharged. All properties shall be delivered to the PURCHASER at time of closing free of all mortgages, liens, judgments, and any taxes or assessments in default or arrears. The amount of any such encumbrances which are now known liens on the property shall be paid by SELLER.

7. **PRORATING.** Real property taxes shall be pro-rated as of the date of closing of this transaction.

8. **CLOSING COSTS.** Closing costs, meaning those costs ordinarily incidental to closing a real estate transaction such as escrow fees, and preparation and recordation of documents required for closing, shall be paid for equally by SELLER and PURCHASER, unless noted otherwise.

9. **CLOSING AND ESCROW:** The closing of this transaction shall be held at the earliest practical date consistent with the terms and conditions herein. However, closing shall be held no later than 60 days from the date of acceptance shown below. Such closing shall be escrowed with and processed by Yukon Title Company of Fairbanks. A copy of this Agreement shall be deposited with the escrow agent by SELLER, which Agreement shall serve as the escrow instructions.

10. **CLOSING DOCUMENTS:**

(a) SELLER shall execute and deliver to the escrow agent a Statutory Warranty Deed conveying the referenced real property to the PURCHASER.

(b) All other conditions precedent to closing shall have been performed as described.

11. **POSSESSION:** At close of sale.

12. **RISK OF LOSS.** Risk of loss due to fire, flood, earthquake, acts of God, or other calamity shall rest on the SELLER until closing and the PURCHASER has the option to rescind this Agreement if such event shall occur or close the transaction as provided hereafter. If the PURCHASER chooses to proceed with the closing, the SELLER agrees to reduce the total purchase price and the amounts due to the SELLER at closing by the amount of the loss. Such loss shall be determined in accordance with

such reasonable methods of valuation as may be agreed upon between the parties at the time of loss.

13. WAIVER OF ALASKA STATUTE 34.70. The parties agree that AS 34.70 does not apply to this transaction and waive the applicability of AS 34.70.

14. AGENTS, COMMISSIONS AND PROFESSIONAL ADVICE. Neither party is represented by a real estate broker or other person to whom a commission is owed in connection with this transaction. Each party has consulted with, or has had an opportunity to consult with, the party's own independent advisors, including experts, attorneys and tax advisors. Other provisions of this Agreement notwithstanding, each party shall bear its own costs under this section.

15. ASSOCIATED AGREEMENT: This Agreement is associated with and contingent upon that certain Real Estate Purchase, Exchange And Sell Agreement, between the City of Fairbanks and Tanana Chiefs Conference, records of the City Clerk, City of Fairbanks, 800 Cushman Street, Fairbanks, Alaska, 99701, incorporated hereto as though set out in full. There are other no verbal or other written Agreements which modify or affect this Agreement.

16. TIME: Time is of the essence of this Agreement and performance in accordance with the terms and conditions hereunder shall be given the highest possible priority by the parties hereto.

17. SURVIVAL AND SUCCESSION: The terms and conditions of this Agreement shall survive the completion of the transaction that is the subject of this Agreement and shall be binding upon the heirs, successors or assigns of the parties hereto.

PURCHASER:

BR EFO

TANANA CHIEFS CONFERENCE

By: VICTOR JOSEPH

Title: President

Date 7/24/17

for

SELLER:

JJS Development LLC

JJS DEVELOPMENT LLC

By: Jerry Sadler

Title: President

Date 7/24/2017