

CONTRACT FOR SALE AND DEVELOPMENT OF REAL PROPERTY
TRACT H, MOONLIGHT ACRES SUBDIVISION

September 10, 2007 DRAFT

This Agreement made and entered into this ____ day of October 2007, by and between the Fairbanks North Star Borough, hereinafter Seller, whose address is P.O. Box 71267, Fairbanks, Alaska 99707-1267, and Mr. Henry and Mrs. Betty Husky, hereinafter Buyer, whose address is 345 Howl Lane, Fairbanks, Alaska, 99709,

WITNESSETH;

WHEREAS, on October __, 2007, the Seller conducted an outcry auction of certain tracts of land within Moonlight Acres Subdivision, Plat # 2007-XXX, recorded as instrument # XXXXX, on September XX, 2007, Fairbanks Recording District, and

WHEREAS, the purpose of the sale was to encourage the timely residential development of the Seller's land by the private sector, and

WHEREAS, the Buyer is aware of the development incentives, disincentives and other sale related conditions, and willingly participated in the auction process and was the successful high bidder for the property described below.

NOW THEREFORE, the Seller and the Buyer in consideration of their mutual covenants and agreements hereinafter stated have agreed and by these present do agree as follows:

1. The Seller agrees to sell and the Buyer agrees to buy Tract H, Moonlight Acres Subdivision, Plat # 456, recorded as instrument # XXXXX, on September XX, 2007, Fairbanks Recording District consisting of 125.354 acres, herein after Property, at the purchase price of \$XX,XXX.00.
2. Seller agrees to convey the Property to the Buyer via a Warranty Deed, a copy of which is attached as Exhibit "A", subject to any title conditions of record and this Contract.
3. The Buyer has inspected the property and agrees to take title in its present condition, as is, where is.
4. The Buyer agrees, should it desire title insurance, to secure same at its sole cost and expense.
5. The Buyer agrees to the following development conditions:

- a. Plat Filing Schedule:
 1. Phased Development is an option: All phases must be completed within 10 years of the date of this Agreement.
 2. The first phase final plat of the Property must be approved and recorded no later than October XX, 2010, three (3) years from the date of this Agreement, at the Fairbanks District Recorders Office, following the provisions of the Fairbanks North Star Borough Code of Ordinances Title 17, Subdivisions, and this Contract.
 2. If the Buyer elects to develop in additional phases, the second and subsequent phase final re-plat(s) must be recorded within two years of the recordation of the previous completed phase following the provisions of the Fairbanks North Star Borough Code of Ordinances Title 17, Subdivisions, and this Contract.
 - b. Minimum Number of Lots: Said re-plat(s) must consist of a total of no fewer than twenty four (24) lots.
 - c. Final Plat Filing Extension: At the Buyer's written request, and for good cause shown, the Seller will approve a one year extension of the projected anniversary date of the Plat recordation(s). Said approval will not be unreasonably withheld. Examples of justifications for an extension of time are: platting delays not caused by the Buyer, litigation, and acts of god directly impacting the Property.
 - d. Trail Access: Trail tracts are optional in Tract H. however, it is strongly recommended that the Buyer connect internal access within the subdivision to the existing trails network where terrain and design allow.
6. The Seller agrees, upon written request of the Buyer, to recognize the Buyers timely compliance with the development time frames identified in paragraph No. 5 above, by refunding to the Buyer 10% of the original purchase price paid for the property included in the re-plat if said re-plat is recorded prior to or no later than the date or extension thereof established in No. 5. Buyer agrees to provide a copy of the recorded plat with the request.
 7. The refund due under this agreement will be calculated upon the total acreage of any new lots and dedicated roads created by the replat.
 8. If the Seller is financing the sale of the property to the Buyer through a Deed of Trust, the Buyer shall have the refund created by paragraph 7 deducted from the then current principal balance due to the Seller and the remaining payments shall be recalculated to reflect the change. If the refund is greater than the remaining balance of the Deed of Trust, the excess funds will be

- paid to the Buyer. The refund shall not affect interest accrued prior to the date of the refund.
9. The Seller agrees to act upon any request for a refund under the development incentive within 60 days of the receipt of the written request of the Buyer.
 10. Time is of the essence in this contract. Should the Buyer fail to meet the development time frames identified in Paragraph 5 above, the Buyer agrees at the Borough's option to re-convey any and all interests it holds in the Property and any improvements thereto to the Seller within 30 days of receipt of written notice from the Seller. If the Buyer fails to comply with this provision, the Seller reserves the right to recover its title interest through whatever legal action is necessary, and the Buyer agrees to reimburse the Seller for all of its costs related to that recovery. The Buyer agrees that the appraised price upon which the minimum bid was based has taken the possibility of reconveyance into account. The Buyer acknowledges that his/her bid also was based on the possibility of reconveyance under this clause.
 11. The Buyer agrees to keep the property in good condition at all times and keep the property taxes current during the term of this Contract.
 12. The Seller makes no warranties as to the suitability of the site for the Buyer's future uses.
 13. Prior to the recordation of the final plat, the Buyer may sell or assign or allow a lien on the real property subject to this contract with prior written approval of the Seller. The Seller's approval will not be unreasonably withheld. Failure to secure the Seller's approval of such sale and/or assignment will automatically cancel any refunds available under this Contract, and may cause the Seller to sue to recover title. If assigned, or sold, all conditions under this Contract remain in effect and bind the new owner including timelines.
 14. The Seller agrees to execute a release of its interest in the land included in the recorded plat(s) when all the conditions of this contract and the Deed of Trust to the Seller, if any, have been met for the land within the recorded re-plat.
 15. Unless otherwise provided herein, any notice, of delivery to be given hereunder by either party to the other may be effected by personal delivery in writing or by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed communicated as of mailing. Mailed

notices shall be addresses as set forth below, but each party may change his address by written notice in accordance with this paragraph.

To Seller: Department of Land Management
Fairbanks North Star Borough
P.O. Box 71267
Fairbanks, Alaska 99707

To Buyer: Henry and Betty Husky, Buyer
345 Howl Lane
Fairbanks, Alaska 99709

16. This instrument contains the entire agreement between the parties in relation to the purchase herein described. Any oral representations or modification concerning this Agreement shall be of no force and effect excepting a subsequent modification in writing, signed by all parties hereto.
17. In the event of any controversy, claim, or dispute between the parties hereto, arising out of or relating to this agreement or the breach thereof, the prevailing party shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for attorney's fees and costs in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose. Venue under any action concerning this contract shall be in the 4th Judicial District at Fairbanks, Alaska and governed by the laws of the State of Alaska.
18. This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties.

IN WITNESS WHEREOF, Seller and Buyer have duly executed and acknowledged this Agreement.

Seller: Fairbanks North Star Borough

Dated: _____

By: _____
Jim Whitaker, Mayor

Buyer: Henry and betty Husky

Dated: _____

By: _____

Dated: _____

By: _____

STATE OF ALASKA)
)ss.
FOURTH JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of _____, 2007, by Jim Whitaker, the Mayor of the Fairbanks North Star Borough, on behalf of the same.

Notary Public in and for Alaska
My Commission expires: _____

STATE OF ALASKA)
)ss.
FOURTH JUDICIAL DISTRICT)

Notary Public in and for Alaska
My Commission expires: _____

STATE OF ALASKA)
)ss.
FOURTH JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of _____, 2007, by Henry and Betty Husky of the 345 Howl Lane, Fairbanks, Alaska, 99709 on behalf of himself or whatever.

Notary Public in and for Alaska
My Commission expires: _____

STATE OF ALASKA)
)ss.
FOURTH JUDICIAL DISTRICT)

Notary Public in and for Alaska
My Commission expires: _____

Exhibit A: SAMPLE WARRANTY DEED

The Grantor, **FAIRBANKS NORTH STAR BOROUGH**, a municipal corporation of the State of Alaska, P.O. Box 71267, Fairbanks, Alaska 99707-1267 for and in consideration of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, conveys and warrants to the Grantee, **Mr. Henry and Mrs. Betty Husky**, husband and wife, as tenants by the entirety, of 345 Howl Street, Fairbanks, Alaska 99709, the following described real property located in the Fairbanks Recording District, Fourth Judicial District, State of Alaska:

Tract H, Moonlight Acres Subdivision, recorded as instrument No. XXXXX in the records of the Fairbanks Recording District, Fourth Judicial District, State of Alaska,

Subject to the following:

1. The terms and conditions of the Contract for Sale and Development of Real Property between the Grantor and Grantee signed on October XX, 2007 and recorded as instrument number #XXXXX Fairbanks Recording District.
2. All reservations, easements, exceptions, restrictions, covenants, and conditions of record, if any.

DATED this _____ day of _____, 2007.

By: Jim Whitaker, Mayor
Fairbanks North Star Borough

ATTEST:

APPROVED:

Borough Clerk

Assistant Borough Attorney

ACKNOWLEDGMENT

STATE OF ALASKA)

FOURTH JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me on this _____ day of _____, 2007 by Jim Whitaker, Mayor of the Fairbanks North

Addendum C
Contract for Sale and Development of Real Property
Tract H - Moonlight Acres Subdivision

Star Borough, a municipal corporation of the State of Alaska, on behalf of the corporation.

Notary Public in and for Alaska
My commission expires: _____

FAIRBANKS RECORDING DISTRICT

Return to:

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