



# Fairbanks North Star Borough

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Mayor's Office  
Natural Resources Development

land@fnsb.gov  
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## LAND SALES FACT SHEET

### **PARTICIPANTS ELEGIBILITY**

1. Participants in the sale must be at least eighteen (18) years of age.
2. No person who is delinquent in any property tax or other financial obligation to the Borough may participate in the sale.

### **TERMS**

A minimum down payment of ten percent (10%) of the purchase price is required. If the land sale is to be financed by the Borough, the balance shall be paid in equal monthly installments, according to an amortization schedule based on the Borough's current interest rate, and for a period of ten years. Payment of principle owed may be accelerated at the option of the purchaser. There is no penalty for early payoff.

### **DEVELOPMENT INCENTIVE**

1. Within a three (3) year period following the date of closing, a purchaser may receive a ten percent (10%) discount on the remaining principal balance owed. To be eligible for this discount, the purchaser must present the current Borough Property Tax Assessment for the parcel, showing that the assessed value of the improvements constructed upon the parcel equals or exceeds (1) \$25,000 in the case of designated recreational parcels, or (2) \$50,000 in the case of designated residential or commercial parcels.
2. A purchaser may also qualify for this incentive if, during the three-year period following the date of closing, the deed of trust note and deed of trust are satisfied in full through the approval of construction financing in an amount equal to or exceeding the values shown in paragraph 1. The land value will be deducted from the total amount of the financing to determine the value of the proposed improvements only. This will be the basis for determining whether the minimum improvement values (shown in paragraph 1) have been met. The purchaser shall be responsible for providing evidence to the Borough that such financing has been approved by the lending institution.

Note: In order to qualify for the development incentive, you must be current on your payments.

### **OVER THE COUNTER PURCHASE**

Parcels which have not sold at an auction may be offered at appraised value, on a first-come, first-served basis to interested parties. When you have identified a parcel you would like to purchase, you will be asked to complete a Land Purchase and Sale Agreement form and



provide a 10% earnest money deposit by certified check, money order, or credit card. If you are unable to obtain financing, all earnest moneys will be refunded.

At the time that you complete the Land Purchase and Sale Agreement, an anticipated closing date will be established. At closing, you will be responsible for payment in full of the balance, by cash or financing (see Terms above). If financing through another institution, you will be asked to execute a deed of trust, deed of trust note, and collection agreement with the Borough as the beneficiary.

Borough financing is subject to credit approval and acceptance. You will be required to complete a credit check form and pay a \$25 (per person) credit check fee. If you fail to receive credit approval, we will refund your 10% earnest money deposit.

### **PURCHASE BY POWER OF ATTORNEY**

You may give power-of-attorney to someone to act on your behalf. A Special Power-of-Attorney form, specifically for the sale, is included at the end of this document. You must use this form. The person with power-of-attorney must provide this form with the Land Purchase and Sale Agreement they have signed/ are signing on your behalf.

### **LEGAL INFORMATION**

This document is for informational purposes only and does not constitute an offer to sell. Any changes to this document concerning the land sale will be announced as soon as possible and will be available at the Division of Natural Resources Development and on their website. However, it is your responsibility to keep yourself informed of any changes or corrections. Although the Borough has researched the land that is for sale, the Borough makes no representation, either express or implied, with respect to the land that is for sale, regarding its quality, merchantability, or fitness for a particular purpose. This land is sold “as is” you, the buyer, are assuming the entire risk as to its quality and suitability for your intended use. In no event shall the Borough be liable for direct, indirect, special incidental, or consequential damages arising out of the use or the inability to use the land that is for sale, even if advised of the possibility of such damages. The right is reserved to adjourn, postpone, or vacate this sale, in whole or part, at any time prior to or during the offering, were such action is deemed necessary by the Borough Administration to protect the interest of the Borough. One or more parcels may be modified, or withdrawn, at any time prior to or during the disposal period. The right is reserved to waive any technical defects in this document.

### **SITE INSPECTION**

ALL INTERESTED PARTIES ARE STRONGLY URGED TO PERSONALLY EXAMINE THE PARCEL(S) IN WHICH THEY ARE INTERESTED PRIOR TO MAKING AN OFFER. The Borough does not warrant that the parcel(s) are suited for any particular use whatsoever. There is no substitute for a thorough personal inspection of the parcel(s). Land Purchase and Sale Agreements are subject to inspection by professional(s), contracted by the Buyer and at the Buyer’s expense. The Buyer

may terminate the agreement and receive a return of the earnest money if he/she notifies the Seller in writing before the established inspection period that they are not satisfied with the inspection results.

### **CONVEYANCES AND TAXES**

Conveyance of title to parcels sold in either a land auction or over the counter sale, will be by Quit Claim Deed. The Borough either obtained patent to the land from the State of Alaska through the Municipal Selections Act (AS 29.18.201-213), or by deed in lieu of foreclosure. There are no known intervening owners or claimants, except where noted in this document. The title will be subject to all existing easements and reservations of record. Property sold by the Borough Division of Natural Resources Development is also subject to property taxes and assessments. Presently there is no property tax due. You will be responsible for property taxes beginning with the tax year following the year in which you purchased the property.

### **ZONING**

All parcels offered in a land sale are zoned in accordance with Title 18 of the Fairbanks North Star Borough Code of Ordinances and shall be used only in accordance with the zoning. For all zones other than General Use-1 (GU-1), a Zoning Permit must be obtained from the Borough, Dept. of Community Planning, (907) 459-1260. Title 18.54.060 states before the start of any excavation, construction, or installation for a new structure or for the modification of any existing structure which would result in a different use of the structure, an increase in number of dwelling units in the structure, or in the size, height, or location of the structure a Zoning Permit is required. There is no charge for a Zoning Permit. A Zoning Permit is not a Building Permit. It is used to determine compliance with the local zoning designation. Construction within the City of Fairbanks must conform to City building codes. Construction outside the City is under the jurisdiction of the State of Alaska. The State Fire Marshal is the State Building Official, (907) 269-2004. Construction, repair, remodel, addition, or changes of occupancy of any building/structure, or installation or change of fuel tanks must be approved by the State Fire Marshal's Office before any work is started. Residential housing that is three-plex or smaller is exempt from this requirement. Driveway permits are also required.

### **DRIVEWAYS, ROADS AND DRAINAGE**

No obstructions shall be placed in drainage ditches adjoining a subdivision lot. Culverts of not less than 12 inches in diameter by 20 feet in length shall be placed on grade under driveways leading from the public roads onto any lot to avoid obstruction of any drainage ditch. If a parcel is not within a road service area, the road maintenance responsibilities rest with the individual purchaser(s). If a parcel is in a road service area, you will need a driveway permit from the Fairbanks North Star Borough, Division of Rural Services, in order to install a driveway. Contact them at 907-459-1223.

## **PLATTING**

The plat for a subdivision contains more details than can be included in the maps on this website. You are encouraged to inspect copies of the plats at the Dept. of Community Planning, Division of Platting, 907-459-1260 for more information.

## **MINERAL RESOURCES**

The State of Alaska retains ownership of all oil, gases, coal, ores, minerals, fissionable material, geothermal resources and fossil fuels which may be in or upon land conveyed to the Borough. The State has reserved the right to enter upon the land to explore for and develop these materials. The State may lease them or allow mining claims to be staked. However, Alaska law also provides that the surface owner be compensated for damages resulting from mineral exploration and developments.

## **SEWER AND WATER**

Purchasers are responsible for their own water supply and sewage disposal systems. The Borough does not provide installations, test borings, percolation tests, wells, or other improvements. All water and sewer improvements are subject to applicable State of Alaska regulations enforced by the State of Alaska, Department of Environmental Conservation (ADEC). These regulations detail specific requirements for water supply systems, sewage disposal systems, and solid waste disposal. Call 907-451-2360 for more information. Potential purchasers are urged to examine the subdivision plats for any conditions of approval. Purchasers are required to contact ADEC prior to beginning any construction of a dwelling on a parcel to familiarize themselves with the governing state regulations and any special requirements that might apply. All sewage systems must be approved by ADEC. To obtain water rights, the purchaser must apply to the State of Alaska, Dept. of Natural Resources, Div. of Mining, Land and Water. Contact them at 907-451-2790.

## **ELECTRICITY**

Electric service may not be available to all subdivisions and parcels. Engineering and economic considerations, availability of right-of-way, and how quickly the parcels are occupied will all play a role in determining how soon a particular parcel can be served. If electric service is important to you, contact Golden Valley Electric Association at 907-452-1151 for more information. It is your responsibility to check on the specific availability of power to the lot(s) in which you are interested.

## **TRAILS AND EASEMENTS**

The lot(s) being offered for sale may be subject to trails or easements of various types. These trails and easements are delineated on the plat for each subdivision. It is important that you inspect the plat(s) to ensure that you are aware of the presence of any trails or easements which may affect the lot(s) in which you are interested.

## **CHECKLIST**

- Inspection     \_\_\_     Have you personally inspected the property? You are strongly encouraged to review all information and personally inspect the parcel you intend to bid on.
- Easements/    \_\_\_     Trails Are there any easements or encumbrances on the parcel which you intend to bid on? This information is available at the Borough Div. of Natural Resources Dev.
- Zoning         \_\_\_     Does the zoning of the parcel allow the use you anticipate for it? The Borough Dept. of Community Planning can answer questions you may have regarding specific uses. Call 907-459-1260 for more information.
- Access         \_\_\_     Does the parcel have adequate access year-round for your needs? What provisions will be necessary for a driveway? Call 907-459-1260 for driveway permit information.
- Use            \_\_\_     Is the parcel satisfactory for your intended use? Is there a good building site on the parcel? Consider the following: soils, vegetation, wetlands, easements, slope and aspect, zoning, setbacks, flood zones.
- Soils          \_\_\_     Are the soils on the parcel satisfactory for your intended use? What is the potential of permafrost? Contact the USDA Natural Resources Conservation Service (NRCS) for specific information about soil types at 907-479-2657.
- Utilities       \_\_\_     Are the utilities you desire presently available, or soon to be available? If they are not available, how much will it cost to bring them to the parcel?
- Water          \_\_\_     If you desire a well, how deep is the water table? Is the available water of good enough quality to fit your needs?
- Restrictions   \_\_\_     Are there use restrictions (covenants) for the parcel in which you are interested? The Borough Division of Natural Resources Development can provide a copy of restrictions of parcels.
- Adjacent       \_\_\_     Always check what is happening on land adjacent to the parcel. What is Properties                   the potential for further development in the area, and will further development be of concern to you?

**FAIRBANKS NORTH STAR BOROUGH SPECIAL POWER OF ATTORNEY**

I, \_\_\_\_\_  
of \_\_\_\_\_  
being an United States Citizen, or resident alien, and being 18 years of age or older, hereby  
appoint \_\_\_\_\_ as my  
attorney in fact, for the purpose of the Fairbanks North Star Borough Over-the-Counter Land  
Sale and to execute, on my behalf, any documents necessary to purchase the property  
described as \_\_\_\_\_  
at the Fairbanks North Star Borough Over-the-Counter Land Sale, including but not limited to:  
Credit Applications, Real Estate Purchase Agreement, Buyer’s Closing Statement, Federal Truth  
in Lending Disclosure Statement, Disclosure Statement, Deed of Trust, Deed of Trust Note and  
Escrow Agreement, unless I have specifically excluded an item by drawing a line through and  
initialing it. I hereby certify that I have reviewed and understand the Fairbanks North Star  
Borough Over-the-Counter Land Sale instructions and sample closing documents.

\_\_\_\_\_  
Signature

**ACKNOWLEDGEMENT**

STATE OF ALASKA            )  
  )ss  
FOURTH JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_, by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public in and for the State of Alaska  
My commission expires on \_\_\_\_\_