



**REAL ESTATE PURCHASE AND SALE AGREEMENT – COMMERCIAL PROPERTY (02/2014)**

Seller: Alaska Housing Finance Corporation (AHFC)  
4300 Boniface Parkway  
Anchorage, Alaska 99504

Buyer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree that on the terms and conditions contained herein (Agreement), Buyer shall buy the Property from Seller and Seller shall sell the Property to Buyer.

The Effective Date of the Agreement shall be the date the Seller signs acknowledging and accepting all terms and conditions agreed between the parties (Section IX of this Agreement).

**I. SUBJECT PROPERTY:**

Real property and improvements (the Property) situated in the Anchorage Recording District, Third Judicial District, State of Alaska, described as:

Street Address: *624 West International Airport Road, Anchorage*  
Tax Assessor's Parcel: *009-233-35-000*

Legal: *Lot Fourteen (14), CAMPBELL PARK ACRES, according to the official plat thereof, filed under Plat Number P-167-A, in the records of the Anchorage Recording District, Third Judicial District, State of Alaska. EXCEPTING THEREFROM the subsurface estate and all rights, privileges, immunities and appurtenances of whatsoever nature accruing unto said estate pursuant to the Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat 688, 704; 43 USC 1601, 1613 (f) (1976) as reserved by the United States of America in the Patent of said land.*

The Property collectively includes: real property; easements and rights appurtenant to such real property; improvements; and personal property that is attached to the improvements. No lease or rental agreements, service contracts, or other agreements are included in the Property.

## II. SELLER'S DISCLOSURE:

The Seller has owned, occupied, and maintained the Property on a continuous basis since January 1982; utilizing the Property as office and warehouse space to house the corporation's Anchorage area public housing family investment center until the time the organization was relocated in August of 2012.

The Property is being sold strictly in "as-is with all defects" condition. Seller makes no representations whatsoever about the Property other than the written representations, if any, contained in this Agreement. In its present condition the Property may or may not meet standards to qualify for financing, to comply with building codes, or to meet occupancy requirements.

Seller makes no representation or warranty as to the accuracy or completeness of the following information which has been provided to Buyer by Seller.

1. Summary appraisal dated October 2, 2012 (Black-Smith, Bethard & Carlson LLC)
2. Parking plan as referenced in the October 2, 2012 appraisal from Black-Smith, Bethard & Carlson LLC.
3. Preliminary title report dated May 09, 2013 (Stewart Title of Alaska)
4. Phase I environmental report dated January 2013 (Chemtrack), pages 1-9. Entire document with appendixes is 599 pages and will be provided to purchaser on CD.
5. Draft site assessment report dated June 11, 1998 (GDM Inc.)
6. Commercial Energy Savings Assessment dated April 2010 (Control Contractors)
7. As-built dated August 31, 1976 (Bell, Herring and Associates)
8. Undated drawing (with dimensions similar to an as-built) depicting current building footprint.
9. 624 W. Int'l Airport Updated Phase I 7-31-13
10. 624 W. Int'l Updated Phase I Building Material Report 8-7-13
11. MOA Elevator Inspect Report 2-26-13
12. Elevator Service Order 7-30-13
13. Major repairs or improvements completed within the past 10 years include:
  - 2002 - computer room upgrade
  - 2010 - new boiler

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***Buyer Signature/Date acknowledging receipt of the above information.***

### **III. EARNEST MONEY DEPOSIT:**

Within five (5) days after the Effective Date, Buyer shall deposit with the Title Company the sum of Ten Thousand and 00/100 Dollars (\$10,000.00) ("Deposit") which shall be held and/or applied as provided in this Agreement.

### **IV. CONTINGENCIES; DUE DILIGENCE:**

This Agreement is contingent upon Buyer and Seller meeting all of the following conditions of sale within each of the time limits indicated below:

1. Due Diligence.

a. Buyer Due Diligence – the Property

Within sixty (60) calendar days of the Effective Date, Buyer shall satisfy, at Buyer's sole discretion, any and all issues, concerns, or questions about the Property by completing any/all research, investigation and/or testing Buyer believes necessary (the Due Diligence Period).

Buyer acknowledges as of the Closing Date (i) that Buyer has been given a reasonable opportunity to inspect and investigate the Property and all matters relating thereto, either independently or through agents and experts of Buyer's choosing, and (ii) that Buyer is acquiring the Property based upon Buyer's own investigation and inspection thereof. Buyer shall not rely upon any statement or opinion by Seller or any agent or contractor of Seller.

Should Buyer, in its sole discretion, reject the Property for any reason whatsoever prior to the expiration of the Due Diligence Period by submitting written notice to Seller, this Agreement shall be terminated, Seller shall direct the Title Company to return the Deposit to Buyer, and the Agreement shall be of no further force or effect to the parties unless expressly set forth otherwise in this Agreement.

Seller shall provide Buyer with full access to the Property in order that Buyer may complete any/all due diligence inspections, soil investigations, or other testing. All inspections shall be conducted at Buyer's sole cost and expense and in accordance with all requirements of applicable law.

Buyer shall provide Seller with copies of all reports Buyer receives as a result of its Due Diligence investigations.

Buyer shall give Seller at least seven (7) business days advance written notice of any inspection that may involve destructive testing, including a complete description of the methods to be utilized for such testing and the manner in which the Property will be restored. Buyer may not conduct any destructive testing without Seller's prior written consent, which consent shall not be unreasonably withheld or delayed. Buyer shall permit Seller or Seller's representative to be present during any and all destructive testing. Buyer agrees to repair any damage done to the Property by such inspection and testing and shall indemnify and hold Seller harmless from any liability arising out of or related to such inspection and testing.

## Environmental Matters – the Property

In no event shall Buyer be required to remediate any prior Toxic or Hazardous Substances (defined below) or cure any prior Environmental Law (defined below) violation discovered by Buyer during Buyer's Due Diligence inspections unless the violation occurs as the direct result of Buyer's destructive testing. The Buyer must notify the Seller should any Toxic or Hazardous Substances be discovered or released as a result of Buyer's Due Diligence inspections.

From the Effective Date through the Closing Date, Seller shall not cause or permit any Toxic or Hazardous Substances to be brought upon, kept or used in or about the Property by Seller, its agents, employees, contractors or invitees except in the ordinary course of managing, maintaining and operating the Property and in accordance with all applicable laws, rules and regulations regulating any such Toxic or Hazardous Substance.

### 1. Toxic or Hazardous Substances and Environmental Law Defined.

As used herein, the terms "Toxic or Hazardous Substances" shall be interpreted broadly to include, but not be limited to, any material or substance that is defined or classified under federal, state or local laws as a "hazardous substance", "hazardous waste", "hazardous material", or "hazardous air pollutant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA); the Resource Conservation and Recovery Act; the Clean Water Act; the Clean Air Act; the Emergency Planning and Community Right to Know Act of 1986; the Federal Water Pollution Control Act; or the Hazardous Material Transportation Act; as now or hereafter amended.

"Toxic or Hazardous Substances" means 1) substances, chemicals or materials in concentrations regulated under any applicable federal, state, local or foreign statute, law, rule or regulation; 2) regulated concentrations of petroleum and petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde, polychlorinated biphenyls and radon gas; and 3) any other substances, chemical or materials in concentrations with respect to which a federal, state, local or foreign agency requires environmental investigation, monitoring, reporting or remediation.

"Environmental Law" means any federal, state, local or foreign statute, law, rule or regulation related to: 1) releases, discharges, spills, leaks or emissions of Hazardous Substances; 2) the manufacture, handling, transport, use, treatment, storage or disposal of Hazardous Substances or materials containing Hazardous Substances; or 3) otherwise relating to pollution of the environment by Hazardous Substances or the protection of human health from injury from Hazardous Substances.

b. Preliminary Commitment for Title Insurance – the Property

The Seller has provided Buyer a preliminary commitment for title insurance (Prelim) dated May 2013. Within ten (10) calendar days of the Effective Date, Buyer shall notify Seller, in writing, of any exceptions on the Prelim that Buyer finds objectionable.

Buyer shall be deemed to have accepted title to the Property subject to any/all exceptions listed in the Prelim if Buyer does not provide Seller with written objection to the same within the required ten (10) calendar day notice period.

Seller shall have ten (10) calendar days after receiving Buyer's written objection(s) to either: 1) remove such exceptions or 2) provide Buyer with written assurances satisfactory to Buyer that such exceptions will be removed prior to Closing. If Seller does neither 1) nor 2) within the 10 calendar day period, then Buyer shall, by written notice to Seller, either terminate this Agreement or agree to accept title to the Property subject to the exceptions. If this Agreement is terminated by Buyer, then the Deposit shall be returned to Buyer and neither Buyer nor Seller will thereafter have any further rights or obligations under this Agreement except those that expressly survive termination of this Agreement.

c. End of Due Diligence Period – Acceptance of Property

Buyer shall determine whether or not the Property is acceptable to Buyer within the sixty (60) day Due Diligence Period. If Buyer determines that the Property is acceptable, Buyer must provide written notice to Seller on or before the last day of the Due Diligence Period in order to continue this Agreement in full force and effect. Failure of the Buyer to deliver timely written notice to Seller shall be considered notice that this Agreement is terminated and of no further force or effect to the parties, whereupon Seller shall direct the Title Company to return the Deposit to Buyer.

**V. TERMS AND CONDITIONS OF CLOSING:**

1. Closing.

Time is of the essence and the Closing of the transaction contemplated by this Agreement (the Closing) will occur no later than ten (10) days after expiration or waiver by Buyer of the Due Diligence Period. With written notice, the Closing Date may be extended by either party for an additional ten (10) calendar days.

The Closing of this transaction will take place through escrow at the office of Stewart Title of Alaska (the Title Company) and the parties hereby appoint the Title Company as their escrow and closing agent for the purpose of closing this transaction.

The actual date on which the Closing occurs is herein referred to as the "Closing Date." Recording shall occur on the first business day following the Closing Date. Seller shall deliver possession of the Property to Buyer at Closing in substantially the same condition in all material respects as the condition of the Property on the date of this Agreement. Seller shall deliver to Buyer at Closing:

- a. Copies of all manuals, maintenance guides, or operating instructions for any/all building components or systems in the Seller's possession.
  - b. Copies of all unexpired warranty agreements for any/all building components or systems in the Seller's possession.
2. Title to the Property shall be considered transferred upon recording of the statutory warranty deed. Acceptance of title to the Property by Buyer shall conclusively establish that all duties and obligations of the parties under this Agreement have been met in full and each party has fully and completely released the other of the same.
3. The representations and warranties of Buyer and Seller in this Agreement will be true and correct as of the Closing Date.
  - a. Seller shall operate the Property in the ordinary course of business in substantially the same manner in all material respects as Seller operated the Property before the Effective Date.
  - b. Between the Effective Date and the expiration of the Due Diligence Period, Seller shall not enter into any contracts, maintenance agreements, or other agreements that will encumber the Property or have the potential to cause a lien to be filed against the Property, nor lease, sublet, or renovate any portion of the Property.
4. Buyer shall pay the following closing costs:
  - a. ½ recording fees.
  - b. ½ documentation preparation fees.
  - c. ½ escrow closing fees.
  - d. Appraisal fees for all appraisals ordered by Buyer.
  - e. Fees for reports or other due diligence services ordered by Buyer.
  - f. Attorney fees for Buyer representation.
  - g. Costs for endorsements and that portion of the title policy premium attributable to extended coverage if desired by Buyer.
  - h. Any costs incurred by Buyer related to this Agreement.
5. Seller shall pay the following closing costs:
  - a. ½ recording fees.
  - b. ½ documentation preparation fees.
  - c. ½ escrow closing fees.

- d. Attorney fees for Seller representation.
  - e. Owner's standard title policy for Property.
  - f. Any costs incurred by Seller related to this Agreement.
  - i. 3% brokerage fee only if the Buyer is represented by a licensed real estate broker and the same is disclosed to Seller at the time Buyer submits its offer to purchase to Seller.
6. Prorations:
- Utilities will be prorated to date of Closing.
7. Seller will furnish the Statutory Warranty Deed at Closing conveying the Property to Buyer free and clear of all liens and encumbrances other than the exceptions shown on the preliminary title report that have been accepted by Buyer.

#### **VI. MISCELLANEOUS TERMS AND CONDITIONS:**

1. This document and the referenced attachments(s) if any, as listed in writing in Section VII of this Agreement, contain the entire Agreement between the parties. There are no understandings, either oral or written, which in any manner change or enlarge what is set forth herein. The plural shall include the singular. This Agreement may not be modified except in a writing signed by both parties that is appended to this Agreement and documented in writing in Section VII of this Agreement.
2. Due to varied methods of measuring square footage, Seller makes neither representation nor guarantee of the accuracy of any figures. Square footage should be independently measured by Buyer if exact calculations are desired.
3. Buyer and Seller agree that a facsimile transmission of any original document shall have the same effect as an original. Any signature required on an original document shall be completed when a facsimile copy has been signed, except for documents to be recorded which require original signatures. The parties agree that facsimile copies of documents shall be appended to the original thereof, integrated therewith and give full effect as if an original.
4. The parties hereby acknowledge that no real estate broker is involved as either a Seller's representative or listing agent and further, that no brokerage or other fees are due any party for facilitating this Agreement unless the Buyer discloses at the time Buyer presents an offer to purchase (Section VI of this Agreement) that the Buyer is represented by a licensed real estate broker.

5. Seller represents to Buyer as follows:

- a. To Seller's knowledge, as a result of Seller's use or ownership of the Property, there are no governmental special assessments, contractor's liens, tax liens, or environmental liens, that have been filed or assessed, or are expected to be filed or assessed against the Property.
- b. Seller has not received notice from any governmental agency of any present violation of any statute, law, ordinance, or deed restriction, rule, or regulation with respect to Seller's use of the Property.
- c. To Seller's knowledge, Seller has not disposed of any wastes, including those containing any Hazardous Substances, in material violation of any applicable Environmental Laws.
- d. Seller is not a "foreign person" as that term is defined in Internal Revenue Code § 1445. On the Closing Date, Seller shall execute and deliver to Buyer a certification of non-foreign status on a form required by the Internal Revenue Service.
- c. Seller is an instrumentality of the State of Alaska and has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder.
- f. Seller agrees to do such reasonable things, and perform such reasonable acts, and make, execute, acknowledge and deliver such reasonable documents as may be reasonably necessary or proper and usual to complete the transactions contemplated by this Agreement and to carry out the purpose of this Agreement in accordance with this Agreement.

6. Buyer represents to Seller as follows:

- a. Buyer has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder.
- b. Buyer agrees to do such reasonable things, and perform such reasonable acts, and make, execute, acknowledge and deliver such reasonable documents as may be reasonably necessary or proper and usual to complete the transactions contemplated by this Agreement and to carry out the purpose of this Agreement in accordance with this Agreement.



7. Loss or Damage to the Property Prior to Closing.

In the event of loss or damage to the Property due to the taking of all or any portion of the Property under the power of eminent domain; or in the event of loss or damage to all or a portion of the Property due to fire, flood or other casualty loss; Buyer shall have the right by giving written notice to Seller within seven (7) days after the receipt of written notice of such event, either to consummate the purchase and sale in accordance with this Agreement or terminate this Agreement effective as of the date such notice of termination is delivered to Seller by Buyer. If the Agreement is terminated under this provision, Seller shall direct the Title Company to return the Deposit to Buyer.

8. Termination, Defaults and Remedies.

a. Default by Seller.

Seller will be in default if Seller fails to materially meet, comply with, or perform any covenants, agreements or obligations required on Seller's part within the time limits and in the manner required in this Agreement, for any reason other than a default by Buyer hereunder.

In the event of a default by Seller, Buyer may, at Buyer's option, terminate this Agreement by written notice delivered to Seller and the Seller will request that the Deposit be returned to Buyer. Buyer hereby waives all claims to recover damages or to enforce specific performance and accepts return of the Deposit as its sole remedy in the case of default by Seller.

b. Default by Buyer.

Buyer will be in default if Buyer fails to materially meet, comply with, or perform any covenants, agreements or obligations required on Buyer's part within the time limits and in the manner required in this Agreement, for any reason other than a default by Seller hereunder.

In the event of a default by Buyer, Seller may, at Seller's option, terminate this Agreement by written notice delivered to Buyer and the Seller will request that the Deposit be forfeited to Seller. Seller hereby waives all claims to recover damages or to enforce specific performance and accepts Buyer's forfeiture of the Deposit as its sole remedy in the case of default by Buyer.

9. Each party represents that it has had an adequate opportunity to consult with its own tax, legal and other advisor prior to executing this Agreement. Both parties will have their own attorneys review this Agreement prior to signing and thus this Agreement when executed shall represent the agreement of the parties and the rule of construction that ambiguities are construed against the drafter shall not apply.

10. Attorney's Fees.

In the event either party brings an action at law or in equity to enforce or interpret or seek redress for breach of this Agreement, the prevailing party in such action shall be entitled to its expenses and attorney fees as allowed by Alaska Law.

11. Governing Law; Jurisdiction.

This Agreement shall be construed and interpreted and the rights of the parties determined in accordance with the laws of the State of Alaska. Should any legal proceeding be necessary under this Agreement, the same shall be commenced in the Superior Court of the State of Alaska, Third Judicial District at Anchorage, Alaska. Buyer and Seller agree specifically that venue and jurisdiction in that court are proper, and further agree to submit themselves to the jurisdiction of that court as a result of any matter arising under this Agreement. Buyer and Seller shall not claim that said forum is an inconvenient forum.

12. Time of Essence.

Except as otherwise specifically provided in this Agreement, time is of the essence for this Agreement and each and every provision hereof. "Days" shall mean calendar days.

13. This Agreement is binding on and shall inure to the benefit of Seller, Buyer, and their respective heirs, legal representatives, successors, and assigns.

14. If any provision of this Agreement is determined by a proper court to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement and the remaining provisions of this Agreement shall remain in full force and effect.

15. Any Exhibit or Addendum attached to this Agreement is made a part of this Agreement when documented in writing under Section VII of this Agreement (Final Form of Agreement).

16. All notices, demands and requests which may be or are required to be given by either party to the other shall be in writing and shall be personally served on the designated party, delivered by express courier, sent by delivered telegram, telex or facsimile transmission (if sent by facsimile transmission a duplicate copy shall be sent by mail), certified or registered mail, as follows:

If to Seller:

Michael Buller, Deputy Chief Executive Officer/Executive Director  
c/o Alaska Housing Finance Corporation  
4300 Boniface Parkway  
Anchorage, Alaska 99504  
Telephone: (907) 330-8453  
Fax: (907) 338-9218

If to Buyer:

17. This Agreement may be executed in counterparts, each of which shall be an original, but all of which shall constitute one and the same Agreement.
18. The terms, conditions, agreements, representations, warranties and provisions of this Agreement shall survive Closing and not merge into the deed or other documents to be delivered at Closing.

**VII. BUYER'S OFFER; PURCHASE PRICE:**

1. Purchase Price:

Total purchase price (Purchase Price) shall be \$\_\_\_\_\_ to be paid in cash at Closing.

2. Buyer Disclosure:

Buyer is hereby disclosing to Seller whether or not Buyer is represented by a Real Estate Licensee approved to perform business in the State of Alaska on the date Buyer signs this offer to purchase. Buyer understands and accepts that failure to disclose the same to Seller will result in Seller refusing to pay a selling brokerage fee, and further, that liability for payment of a selling brokerage fee, if any, will be Buyer's sole responsibility and expense.

Buyer is \_\_\_\_\_ being represented by a Real Estate Licensee this date and has attached a copy of the Alaska Real Estate Commission Consumer Pamphlet disclosing the name of the Real Estate Licensee who is representing Buyer with respect to this potential purchase and sale transaction.

Buyer is not \_\_\_\_\_ being assisted or represented by a Real Estate Licensee. Buyer represents that no Licensee has facilitated, assisted with, or is otherwise involved with this potential purchase and sale transaction.

3. Addenda or Other Attachments:

Buyer has attached the following documents to this offer:

This offer to purchase shall expire at 4:00 p.m. local Anchorage, Alaska time on \_\_\_\_\_ 2014.

Buyer:

By: \_\_\_\_\_  
Signature /Printed Name/Title

Date: \_\_\_\_\_ Time: \_\_\_\_\_

**VIII. FINAL FORM OF AGREEMENT:**

In its entirety, the final form of this document consists of \_\_\_\_ pages and incorporates the following:

- 1. Real Estate Purchase and Sales Agreement – Commercial Property (02/2014)

**IX. FINAL ACCEPTANCE BY BUYER:**

I represent that I have authority to enter into this agreement on behalf of Buyer and understand that this document becomes a legally binding contract upon Buyer acceptance as evidenced by my signature below.

Buyer:

By: \_\_\_\_\_  
Signature /Printed Name/Title

Date: \_\_\_\_\_

**X. FINAL ACCEPTANCE BY SELLER:**

I represent that I have authority to enter into this agreement on behalf of Seller/Alaska Housing Finance Corporation and understand that this document becomes a legally binding contract upon Seller acceptance as evidenced by my signature below.

Seller: Alaska Housing Finance Corporation

By: \_\_\_\_\_  
Michael Buller, Deputy Chief Executive Officer/Executive Director

Date: \_\_\_\_\_  
Effective Date

**XI. ACKNOWLEDGEMENT OF RECEIPT BY BUYER:**

Buyer acknowledges receipt of the foregoing Agreement bearing his/her signature and that of Seller showing acceptance.

Buyer:

By: \_\_\_\_\_  
Signature /Printed Name/Title

Date: \_\_\_\_\_