REAL ESTATE PURCHASE AND SALE AGREEMENT

This Real Estate Purchase and Sale Agreement (this "Agreement"), dated ________________________, 2026 ("Effective Date"), is entered into by and between Buyer and Seller, for the sale of the Property (terms defined below).

RECITALS

WHEREAS, Seller offered the Property for sale at a public auction, and Buyer participated in such auction and was declared the successful bidder for the purchase of the Property.

WHEREAS, subject to the terms and conditions set forth in this Agreement, Seller desires to sell the Property to Buyer and Buyer desires to purchase such real property from Seller.

NOW, THEREFORE, in consideration of the mutual agreements, covenants, and provisions set forth herein, and intending to be legally bound hereby, the parties agree as follows.

AGREEMENT

1. **BASIC INFORMATION**

1.1. **Seller.** City and Borough of Wrangell, Alaska

1.2. **Buyer(s).**

1.3. **Property.** The unimproved real property located at Lot 1, Block 1, Alder Top Village, Shoemaker Subdivision II, Wrangell Recording District, First Judicial District, Alaska, according to Plat No. _____________, together with all rights and appurtenances belonging thereto (the "Property")

1.4. **Purchase Price and Fees.** The purchase price for the Property is _______________________________ Dollars ($________) (the "Purchase Price"). In addition to the Purchase Price, Buyer shall pay a buyer's premium of _______________________________ Dollars ($________________) (the "Buyer's Premium") and a recording fee of _______________________________ Dollars ($___________) (the "Recording Fee"). The Purchase Price, Buyer's Premium, and Recording Fee are collectively referred to as the "Total Amount Due." The Total Amount Due is _______________________________ Dollars ($_________________).

1.5. **Down Payment.** On the Effective Date, Buyer shall pay to Seller a down payment of _______________________________ Dollars ($**)** (the "Down Payment"). The Down Payment shall be applied toward the Total Amount Due. After application of the Down Payment, the remaining balance of the Total Amount Due shall be _______________________________ Dollars ($) (the "Remaining Balance"), which Buyer shall pay to Seller at Closing, subject to application of the Auction Deposit as provided in Section 1.6.

1.6. **Auction Deposit.** Buyer previously paid an auction deposit of _______________________________ Dollars ($_______________) in connection with Buyer's successful bid for the Property (the "Auction Deposit"). Upon Closing, the Auction Deposit shall be applied as a credit against the Remaining Balance. The Auction Deposit is nonrefundable and shall be forfeited to and retained by Seller if Closing does not occur or if this Agreement is terminated for any reason.

1.7. **Brokers.** Seller and Buyer each represent and warrant that neither has employed or retained any real estate broker, agent, or finder in connection with this transaction, and that no brokerage commission or finder's fee shall be due or payable by either party in connection with the sale of the Property. This Section does not apply to any auctioneer or other person retained by Seller in connection with the public auction of the Property or to the Buyer's Premium described in Section 1.4.

1.8. **Closing.** Closing shall occur sixty (60) days from the Effective Date, or on such other date as the parties may mutually agree in writing ("Closing Date" or "Closing").

1.9. **Notice Addresses.** All notices required or permitted under this Agreement shall be in writing and delivered to the parties at the addresses set forth below:

If to Seller: City and Borough of Wrangell, PO Box 531, Wrangell, AK 99929

If to Buyer: ____

2. PURCHASE AND SALE; DEVELOPMENT REQUIREMENTS

2.1. **Purchase and Sale.** Subject to the terms and conditions of this Agreement, including the Development Requirements set forth in this Section 2, Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase and acquire from Seller, the Property.

2.2. **Development Requirements.** As a material condition of Seller's agreement to sell and convey the Property, Buyer agrees to the development requirements, restrictions, and repurchase rights set forth herein (collectively, the "Development Requirements"). The Quitclaim Deed conveying the Property to Buyer (the "Deed") shall set forth the Development Requirements and shall be recorded in the Wrangell Recording District at Closing. The Development Requirements shall run with and burden the Property and shall be binding upon Buyer and all subsequent owners of the Property until released in accordance with the terms of the Deed.

2.3. **Required Improvements and Development Deadline.** Buyer shall complete construction on the Property of at least one residential dwelling permitted under applicable zoning, building codes, and other applicable laws (the "Required Improvements") not later than five (5) years after the date the Deed is recorded in the Wrangell Recording District (the "Development Deadline"). The Required Improvements shall be deemed complete when construction of at least one residential dwelling has been completed in accordance with all applicable permits and approvals and the dwelling is lawfully eligible for residential occupancy under applicable law.

2.4. **Extension of Development Deadline.** Before the Development Deadline, Buyer or the then-current owner of the Property (the "Owner") may submit to Seller a written request for an extension of the Development Deadline. The request shall describe the work completed, the work remaining, the reason for the delay, and a proposed schedule for completion. Seller may, in its sole discretion, grant an extension if Seller determines that the delay resulted from circumstances beyond the Owner's reasonable control, including unusually severe weather, natural disaster, labor or material shortages, governmental delays, or other force majeure events, or for such other circumstances as Seller determines appropriate. Whether to grant an extension, and the duration and conditions of any extension, shall be within Seller's sole discretion. No extension shall be effective unless approved in writing by Seller.

2.5. **Default and Cure.** If the Required Improvements are not completed by the Development Deadline, as it may be extended in writing by Seller, Seller shall provide written notice of default to the Owner. The Owner shall have ninety (90) days after such notice is deemed received in accordance with Section 9.7 to cure the default by completing the Required Improvements. If the default is not cured within such ninety (90)-day period, Seller may exercise the Repurchase Option following expiration of all applicable cure periods, including any additional cure period expressly provided to the holder or beneficiary of a mortgage or deed of trust under Section 2.7. If no holder or beneficiary is entitled to an additional cure period under Section 2.7, all applicable cure periods shall be deemed to expire upon expiration of the Owner's ninety (90)-day cure period. If a holder or beneficiary is entitled to an additional cure period under Section 2.7, all applicable cure periods shall be deemed to expire upon expiration of such additional cure period.

2.6. **Repurchase Option.** Upon an uncured default, and following expiration of all applicable cure periods, Seller shall have the option, but not the obligation, to repurchase the Property (the "Repurchase Option"). Seller may exercise the Repurchase Option by delivering written notice of exercise to the Owner in accordance with Section 9.7. Seller must exercise the Repurchase Option, if at all, within one hundred eighty (180) days after expiration of all applicable cure periods as determined under Section 2.5. The Repurchase Option shall not terminate or expire during any period in which Seller is prohibited by applicable law, court order, bankruptcy stay, or other legal restraint from exercising or enforcing the Repurchase Option, and the applicable exercise period shall be tolled during any such period.

2.6.1. *Repurchase Price.* The purchase price payable by Seller upon exercise of the Repurchase Option (the "Repurchase Price") shall equal the original Purchase Price for the Property actually paid to Seller, excluding any buyer's premium, recording fees, financing charges, interest, or other fees or charges associated with the original purchase or financing, less:

2.6.1.1. any unpaid taxes, assessments, liens, or other amounts then owing against the Property for which Seller may become liable or which must be satisfied to obtain clear title;

2.6.1.2. Seller's reasonable costs and expenses, including reasonable attorney fees, incurred in enforcing the Development Requirements or exercising or completing the Repurchase Option; and

2.6.1.3. Seller's reasonable costs of correcting any unsafe condition, code violation, environmental contamination, or physical damage to the Property caused by an Owner or arising during the period following Seller's original conveyance of the Property. In no event shall the Repurchase Price be less than Zero Dollars ($0.00). To the extent the deductions permitted under this Section exceed the original Purchase Price actually paid to Seller, such excess shall constitute an obligation of the Owner and shall be paid to Seller at or before the repurchase closing.

The Repurchase Price shall not include, and shall not be increased by, the value or cost of any improvements, fixtures, work, materials, or other additions made to or placed upon the Property after Seller's original conveyance.

Closing of the repurchase shall occur within sixty (60) days after Seller delivers its notice exercising the Repurchase Option, unless Seller and the Owner otherwise agree in writing. At the repurchase closing, Seller shall tender the Repurchase Price, subject to the deductions permitted by this Section, and the Owner shall execute and deliver all documents reasonably required to reconvey the Property to Seller. The Property shall be reconveyed to Seller by statutory warranty deed or other deed acceptable to Seller, free and clear of all liens and encumbrances arising after Seller's original conveyance, except those expressly accepted by Seller in writing.

Seller may apply all or any portion of the Repurchase Price directly to the payment or satisfaction of any liens, encumbrances, taxes, assessments, or other amounts required to obtain title to the Property in the condition required by this Section. If the Repurchase Price is insufficient to satisfy such amounts, Owner shall pay the deficiency at or before the repurchase closing. Owner's inability or failure to convey title as required shall not terminate or otherwise impair Seller's Repurchase Option, and Seller shall be entitled to pursue specific performance, injunctive relief, and any other right or remedy available at law or in equity.

2.7. **Transfers; Mortgages and Other Encumbrances.** Any sale, conveyance, assignment, foreclosure, deed in lieu of foreclosure, or other transfer of any interest in the Property before release of the Development Requirements shall be subject to the Development Requirements and Repurchase Option. No transfer of the Property shall release the Property from the Development Requirements or Repurchase Option.

The Owner may mortgage or otherwise voluntarily encumber the Property; provided, however, that any mortgage, deed of trust, or other voluntary lien or encumbrance shall be subject and subordinate to the Development Requirements and Seller's Repurchase Option unless Seller expressly agrees otherwise in a written instrument executed and recorded in the Wrangell Recording District. Seller may, in its sole discretion, agree to subordinate Seller's Repurchase Option to a mortgage or deed of trust securing a loan obtained primarily for the purpose of financing construction of the Required Improvements on the Property.

Upon written request by the holder or beneficiary of a mortgage or deed of trust encumbering the Property, accompanied by such holder's current notice address, Seller shall provide such holder with a copy of any notice of default delivered to the Owner. The holder may cure the default during the Owner's cure period. If the default has not been cured before expiration of the Owner's cure period, the holder shall have an additional sixty (60) days to cure, provided that the holder gives Seller written notice of its intent to cure before expiration of the Owner's cure period. No holder or beneficiary shall be entitled to such additional cure period unless, before expiration of the Owner's cure period, such holder or beneficiary has provided Seller with its current notice address and written notice of its intent to cure. No additional cure period shall exceed sixty (60) days without Seller's written consent. Seller shall have no obligation to identify any holder or beneficiary of a mortgage or deed of trust or to provide notice to any holder or beneficiary that has not made the written request and provided the notice address required by this Section.

Seller shall not exercise the Repurchase Option during an applicable cure period. Except as expressly agreed by Seller in a written instrument executed and recorded in the Wrangell Recording District, no mortgage, deed of trust, foreclosure, deed in lieu of foreclosure, exercise of a lien or security interest, or other transfer or encumbrance of the Property shall extinguish, terminate, impair, or otherwise affect the Development Requirements or Seller's Repurchase Option.

2.8. **Successors and Assigns.** The Development Requirements and Repurchase Option are intended to run with the land and shall bind Buyer and each subsequent Owner of the Property and their respective heirs, personal representatives, successors, and assigns. Each Owner shall take title subject to the Development Requirements and shall be responsible for performance of the obligations thereunder during such Owner's ownership of the Property. Each Owner shall, promptly after acquiring title to the Property, provide Seller with written notice of such Owner's name and current mailing address. Each Owner shall thereafter be responsible for notifying Seller in writing of any change in such address. Notwithstanding anything to the contrary in this Agreement or the Deed, if the then-current Owner has not provided Seller with a current notice address, Seller may deliver any notice required under the Development Requirements to the Owner at the address for such Owner then shown in the real property tax records of the City and Borough of Wrangell, and such notice shall be effective in accordance with the applicable notice provisions notwithstanding the Owner's failure to actually receive such notice.

2.9. **Release Upon Completion.** Upon completion of the Required Improvements, the Owner may submit to Seller a written request for release of the Development Requirements, together with evidence reasonably satisfactory to Seller demonstrating completion of the Required Improvements. Upon Seller's determination, in its reasonable discretion, that the Required Improvements have been completed, Seller shall execute an instrument releasing the Property from the Development Requirements and Repurchase Option. Owner shall be responsible for recording the release in the Wrangell Recording District and for all costs associated with such recording. Upon recording of the release, the Development Requirements and Repurchase Option shall terminate and cease to burden the Property.

2.10. **Survival.** The provisions of this Section 2 shall survive Closing. The Development Requirements set forth in the Deed shall remain in full force and effect notwithstanding payment of the Purchase Price or any subsequent transfer or encumbrance of the Property and shall continue until released in accordance with their terms. Seller's acceptance of performance at Closing shall not constitute a waiver of any obligation of Buyer or any right or remedy of Seller arising under this Section 2 or the Deed.

3. <u>BUYER'S RIGHT OF INSPECTION</u>

3.1. **Buyer's Acknowledgment and Due Diligence.** Buyer acknowledges and agrees that Buyer has had the opportunity to conduct, at Buyer's sole cost and discretion, any and all inspections, investigations, and other due diligence regarding the Property prior to entering into this Agreement. Buyer further acknowledges and agrees that Buyer is relying solely on such inspections and investigations, and not on any representations, warranties, statements, or information provided by Seller or any of Seller's elected officials, officers, employees, agents, representatives, consultants, or contractors. Except for the express representations and warranties of Seller set forth in this Agreement, Seller makes no representation or warranty regarding the condition of the Property. Buyer agrees to rely solely upon Buyer's own investigation, inspections, and judgment in accepting the Property.

4. <u>CLOSING</u>

4.1. **Closing.** Closing shall occur on the Closing Date at the offices of the City and Borough of Wrangell.

4.2. **Conditions to Seller's Obligation to Close.** Seller's obligation to consummate the transaction contemplated by this Agreement is conditioned upon the satisfaction of the following conditions as of the Closing Date:

4.2.1. **Buyer Representations and Warranties.** Buyer's representations and warranties contained in this Agreement shall be true and correct in all material respects as of the Effective Date and the Closing Date.

4.2.2. **Buyer Performance.** Buyer shall have performed in all material respects all obligations required to be performed by Buyer under this Agreement on or before the Closing Date.

4.2.3. **Legal Restraint.** No injunction, order, judgment, or other legal restraint shall be in effect that prohibits Seller from consummating the transaction contemplated by this Agreement.

The foregoing conditions are solely for Seller's benefit and may be waived by Seller, in whole or in part, in Seller's sole discretion, except to the extent such waiver would require Seller to take any action prohibited by applicable law.

4.3. **Seller's Deliveries.** At Closing, Seller shall deliver to Buyer a Quitclaim Deed executed and acknowledged by Seller, conveying Seller's interest in the Property. The Quitclaim Deed shall provide that the Property is subject to the restrictive covenants recorded at 2025-000279-0, Wrangell Recording District, and shall set forth the Development Requirements, including the required improvements and development deadline, default and cure provisions, transfer and encumbrance provisions, and Seller's Repurchase Option.

4.4. **Buyer's Deliveries.** At Closing, Buyer shall pay to Seller the Remaining Balance, less the Auction Deposit credited to Buyer at Closing, and shall execute and deliver such other documents and instruments as are reasonably required to consummate the transaction contemplated by this Agreement.

4.5. **Title.** Buyer acknowledges and agrees that Seller is conveying only such right, title, and interest in the Property as Seller may have by Quitclaim Deed. Seller shall have no obligation to provide or obtain a title commitment, title insurance policy, survey, or other evidence of title; to cure or remove any title defect, lien, encumbrance, exception, or other matter affecting title to the Property; or to incur any cost or expense in connection therewith. Buyer's obligation to consummate Closing is not conditioned upon the condition or insurability of title to the Property. Buyer may, at Buyer's sole cost and expense, obtain such title examination or title insurance as Buyer deems appropriate, but any matter disclosed thereby shall not give Buyer any right to terminate this Agreement, delay Closing, reduce the Purchase Price, or require any action by Seller.

4.6. **Risk of Loss and Condemnation.** All risk of loss or damage to the Property, and all risk of any condemnation, taking, or other exercise of the power of eminent domain affecting the Property, shall be borne by Buyer from and after the Effective Date. No casualty, damage, destruction, condemnation, taking, or threatened condemnation or taking occurring or arising after the Effective Date shall entitle Buyer to terminate this Agreement, delay Closing, or receive any reduction in the Purchase Price. At Closing, Seller shall assign to Buyer, without representation, warranty, or recourse, any right of Seller to insurance proceeds or condemnation awards attributable to any such event, to the extent assignable and not previously received by Seller.

5. **TAXES**

5.1. **Property Tax Liability.** Buyer shall be solely responsible for all real property taxes, assessments, and other governmental charges attributable to the Property for periods from and after the Closing Date, regardless of the date on which such taxes, assessments, or charges are assessed, levied, billed, or payable. There shall be no proration or adjustment of real property taxes at Closing.

6. **REPRESENTATIONS AND WARRANTIES**

6.1. **Seller Representations and Warranties.** Seller represents and warrants to Buyer that Seller has duly authorized the execution and delivery of this Agreement and the documents required to be executed and delivered by Seller at Closing and has the authority to perform its obligations hereunder and thereunder.

6.2. **Buyer Representations and Warranties.** Buyer represents and warrants to Seller that:

6.2.1. **Authority.** Buyer has the full power and authority to execute and deliver this Agreement and the documents required to be executed and delivered by Buyer at Closing and to perform Buyer's obligations hereunder and thereunder, and this Agreement constitutes, and such documents when executed and delivered will constitute, valid and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms.

6.2.2. **No Conflict.** Neither the execution and delivery of this Agreement nor the performance of Buyer's obligations under this Agreement conflicts with or will result in a breach or default under any agreement, order, judgment, or other obligation binding upon Buyer.

6.2.3. **No Proceedings.** There is no action, suit, proceeding, bankruptcy, insolvency, or other legal proceeding pending or, to Buyer's knowledge, threatened against Buyer that would prevent or materially impair Buyer's ability to consummate the transaction contemplated by this Agreement or perform Buyer's obligations hereunder.

6.3. **Survival.** Seller's representations and warranties under this Article 6 shall terminate upon Closing and shall not survive Closing. Buyer's representations and warranties under this Article 6 shall survive Closing.

7. **DEFAULT AND REMEDIES**

7.1. **Buyer Default.** If Buyer fails to timely consummate Closing or fails to pay the Remaining Balance as required under this Agreement, this Agreement shall automatically terminate, the Auction Deposit shall be forfeited to and retained by Seller as liquidated damages, and the Down Payment shall be promptly returned to Buyer. Upon such termination, neither party shall have any further obligations under this Agreement, except for obligations that expressly survive termination.

7.2. **Seller Default.** Buyer shall have no right to terminate this Agreement as a result of any act, omission, breach, or default by Seller unless such act, omission, breach, or default renders Seller unable to execute and deliver the Quitclaim Deed required under this Agreement at Closing. If Seller is unable to execute and deliver the Quitclaim Deed at Closing, Buyer's sole and exclusive remedy shall be to terminate this Agreement and receive a refund of the Down Payment. The Auction Deposit shall remain nonrefundable and shall be retained by Seller in accordance with Section 1.6. Buyer shall not be entitled to specific performance, damages, consequential damages, lost profits, reimbursement of expenses, or any other remedy against Seller arising from Seller's failure to consummate Closing. Upon Closing, Buyer waives all claims, objections, and remedies relating to Seller's performance or any representations or warranties under this Agreement, except for obligations of Seller that expressly survive Closing.

7.3. **No Liability.** In no event shall Seller's assembly members, mayor, or any officer, employee, attorney, representative, consultant or agent of the Seller have any liability for any claim, cause of action or other liability arising out of or relating to this agreement or the property, whether based on contract, common law, statute, equity or otherwise.

8. DISCLAIMERS AND RELEASE

8.1. **Disclaimers by Seller.** Seller hereby disclaims all warranties of any kind or nature whatsoever, including without limitation, warranties of habitability and fitness for a particular purpose, whether express or implied, including, without limitation warranties or representations with respect to the Property. Except as is expressly set forth in this Agreement to the contrary, Buyer acknowledges that it is not relying upon any representation of any kind or nature made by Seller, or any of Seller's officials, employees, or agents, with respect to the Property, and that, in fact, except as expressly set forth in this Agreement to the contrary, no such representations were made. To the extent required to be operative, the disclaimers and warranties contained herein are "conspicuous" disclaimers for purposes of any applicable law, rule, regulation, or order. Seller makes no warranty or representation that any proposed development, construction, land use, or activity on the Property by Buyer or any other party or entity will be authorized or permitted by the City and Borough of Wrangell or any other governmental authority.

8.2. **Sale AS IS, WHERE IS, AND WITH ALL FAULTS.** Buyer is expressly purchasing the Property in its existing condition, "AS IS, WHERE IS, AND WITH ALL FAULTS" with respect to all facts, circumstances, conditions, and defects, and Seller has no obligation to determine or correct any such facts, circumstances, conditions, or defects or to compensate Buyer for same. Seller has specifically bargained for the assumption by Buyer of all responsibility to investigate the Property, laws and regulations, rights, facts, leases, service contracts, violations, employees, and all risk of adverse conditions and has structured the Purchase Price and other terms of this Agreement in consideration thereof. Buyer has undertaken all such investigations of the Property, laws and regulations, rights, facts, leases, and violations, as Buyer deems necessary or appropriate under the circumstances as to the status of the Property and based upon same, Buyer is and shall be relying strictly and solely upon such inspections and examinations and the advice and counsel of its own consultants, agents, attorneys, and officers. Buyer is and shall be fully satisfied that the Purchase Price is fair and reasonable consideration for the Property and, by reason of all the foregoing, Buyer assumes the full risk of any and all loss or damage.

8.3. **Environmental Laws/Hazardous Materials.** Seller makes no warranty or representation with respect to the presence of Hazardous Materials on, above, or beneath the Property or any parcel in proximity thereto or in any water on or under the Property. Buyer shall not commence, maintain, or prosecute any claim or action against Seller under any Environmental Law with respect to the Property or voluntarily seek to join Seller in any action or proceeding arising under any Environmental Law with respect to the Property, except to the extent such covenant is prohibited by applicable law.

As used herein, the term "Hazardous Materials" means: (a) those substances included within the definitions of any one or more of the terms "hazardous materials," "hazardous wastes," "hazardous substances," "industrial wastes," and "toxic pollutants," as such terms are defined under Environmental Laws, or any of them; (b) petroleum and petroleum products, including, without limitation, crude oil and any fractions thereof; (c) natural gas, synthetic gas, and any mixtures thereof; (d) asbestos and/or any material which contains any hydrated mineral silicate, including, without limitation, chrysotile, amosite, crocidolite, tremolite, anthophyllite, and/or actinolite, whether friable or non-friable; (e) polychlorinated biphenyl ("PCBs") or PCB containing materials or fluids; (f) radon; (g) any other hazardous or radioactive substance, material, pollutant, contaminant, or waste; and (h) any other substance with respect to which any Environmental Law or governmental authority requires environmental investigation, monitoring, or remediation.

As used herein, the term "Environmental Laws" means: all federal, state, and local laws, statutes, ordinances, and regulations, now or hereafter in effect, in each case as amended or supplemented from time-to-time, including, without limitation, all applicable judicial or administrative orders, applicable consent decrees, and binding judgments relating to the regulation and protections of human health, safety, the environment, and natural resources, including without limitation, ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §§ 9601 et seq.), the Hazardous Material Transportation Act, as amended (49 U.S.C. §§5101 et seq.), the Federal Insecticide, Fungicide, and Rodenticide Act, as amended (7 U.S.C. §§ 136 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. §§ 6901 et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. §§ 2601 et seq.), the Clean Air Act, as amended (42 U.S.C. §§ 7401 et seq.), the Federal Water Pollution Control Act, as amended

(33 U.S.C. §§ 1251 et seq.), the Safe Drinking Water Act, as amended (42 U.S.C. §§300f et seq.), any state or local counterpart or equivalent of any of the foregoing, and any federal, state, or local transfer of ownership notification or approval statutes.

8.4. **Release of all Claims by Buyer.** Buyer is relying solely upon Buyer's own knowledge of the Property based on its own investigation, inspection, and due diligence of the Property in determining the Property's value and physical condition and Buyer agrees that it shall, subject to the express warranties, representations, and conditions, if any, contained in this Agreement, assume the risk that adverse matters, including but not limited to, construction defects and adverse physical and environmental conditions, may not have been revealed by Buyer's investigations. Except as expressly set forth in this Agreement to the contrary, Buyer releases Seller and its respective successors and assigns from and against any and all claims which Buyer or any party related to or affiliated with Buyer (each a "Buyer-Related Party") has or may have arising out of or relating in any way to the Property. Neither Buyer, nor any Buyer-Related Party shall look to Seller, or its successors and assigns in connection with the foregoing for any redress or relief. This release of all claims shall be given full force and effect according to each of its express terms and provisions, including those relating to unknown and unsuspected claims, damages, and causes of action. To the extent required to be operative, the disclaimers and warranties contained herein are "conspicuous" disclaimers for purposes of any applicable law, rule, regulation, or order.

8.5. **Indemnification by Buyer.** Buyer shall indemnify, defend, and hold harmless Seller and its Assembly members, Mayor, officers, employees, representatives, consultants, affiliates, and agents from and against any and all claims, demands, liabilities, obligations, losses, damages, fines, penalties, judgments, costs, and expenses of every kind and nature whatsoever (including attorney fees and costs), whether known or unknown, foreseen or unforeseen, arising at any time after Closing and in any way relating to or connected with: (a) the Property or any condition, use, occupancy, or activity thereon or therefrom; (b) the presence, suspected presence, use, handling, storage, generation, disposal, or release of Hazardous Materials on, under, about, or migrating to or from the Property, whether occurring before or after Closing and regardless of cause; or (c) any act, omission, or violation of law or regulation by Buyer or any of its successors, assigns, tenants, invitees, contractors, or agents. Buyer's obligations under this Section are independent of, and shall not be limited by, any insurance maintained by Buyer, and shall survive Closing indefinitely.

8.6. **Acknowledgement.** Buyer acknowledges that the disclaimers, waivers, and indemnities contained in this Article are a material inducement to the Seller's willingness to enter into this Agreement.

8.7. **Survival.** The provisions of this Article 8 shall survive Closing and shall not merge into any document executed or delivered at Closing. Sections 8.1 through 8.4 and Section 8.6 shall also survive any termination of this Agreement. Section 8.5 shall survive termination only with respect to matters arising from Buyer's or any Buyer-Related Party's entry upon, inspection of, or other activities concerning the Property before such termination.

9. MISCELLANEOUS

9.1. **Further Assurances.** Each party shall execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby, provided that no such document or action shall materially increase the obligations of such party except as contemplated by this Agreement or the Deed.

9.2. **Severability.** If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect, invalidate, or render unenforceable any other term or provision of this Agreement. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties hereto shall negotiate in good faith to modify this Agreement so as to affect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

9.3. **Governing Law, Jurisdiction, and Venue.** This Agreement shall be governed and construed in accordance with the laws of the state of Alaska. Each of the Parties irrevocably agrees that any legal action, suit, or proceeding arising out of or relating in any way to this Agreement shall be brought and determined in the state courts of the state of Alaska, First Judicial District at Wrangell.

9.4. **Survival.** The provisions of this Agreement that contemplate performance after Closing shall survive Closing.

9.5. **Possession.** Full and exclusive possession of the Property shall be delivered by Seller to Buyer following Closing on the Closing Date.

9.6. **Time of the Essence.** The Parties hereto acknowledge and agree that, except as otherwise expressly provided in this Agreement, TIME IS OF THE ESSENCE for the performance of all actions (including, without limitation, the giving of notices, the delivery of documents, and the funding of money) required or permitted to be taken under this Agreement. Whenever action must be taken (including, without limitation, the giving of notice, the delivery of documents, or the funding of money) under this Agreement, prior to the expiration of, by no later than, or on a particular date, unless otherwise expressly provided in this Agreement, such action must be completed by 11:59 PM on such date. However, notwithstanding anything to the contrary herein, whenever action must be taken (including, without limitation, the giving of notice, the delivery of documents, or the funding of money) under this Agreement prior to the expiration of, by no later than, or on a particular date that is not a Business Day, then such date shall be extended until the immediately following Business Day. For purposes of this Agreement, "Business Day" means any day other than a Saturday, Sunday, or legal holiday observed by the City and Borough of Wrangell.

9.7. **Notices.** All notices required or permitted hereunder shall be in writing and shall be delivered to the parties at the addresses set forth in Article 1 or, with respect to any subsequent Owner or mortgagee or deed of trust beneficiary, at the address provided to Seller in accordance with this Agreement or the Deed. Any notice shall be given or served (i) by United States certified mail, return receipt requested, postage prepaid, (ii) by nationally recognized overnight courier, or (iii) by personal delivery. Notice shall be deemed received (a) if personally delivered, upon delivery or refusal of delivery; (b) if sent by nationally recognized overnight courier, on the first Business Day after deposit with such courier; and (c) if sent by certified mail, on the third (3rd) Business Day after deposit in the United States mail, whether or not delivery is accepted. E-mail shall not constitute proper notice. Any party or other person entitled to notice may change its notice address by written notice given in accordance with this Section.

9.8. **Construction.** This Agreement shall be construed according to its fair meaning and shall not be construed more strictly against either party by reason of the preparation or authorship of this Agreement or any provision hereof.

9.9. **Counterparts and Electronic Signatures.** This Agreement may be executed in one or more counterparts, all of which together shall constitute one and the same agreement. This Agreement may be executed by any electronically transmittable means (e.g. facsimile, scanned .pdf, or any electronic signature software technology such as DocuSign).

9.10. **No Third-Party Beneficiary.** Except for the rights expressly granted in the Deed to the holder or beneficiary of a mortgage or deed of trust encumbering the Property, this Agreement and the documents executed and delivered in connection herewith are solely for the benefit of Seller and Buyer, and no other person or entity shall have any right to enforce any provision hereof or thereof.

9.11. **General Provisions.** No failure of any party to exercise any power given hereunder or to insist upon strict compliance with any obligation specified herein, and no custom or practice at variance with the terms hereof, shall constitute a waiver of any party's right to demand exact compliance with the terms hereof. This Agreement contains the entire agreement of the parties hereto, and no representations, inducements, promises, or agreements, oral or otherwise, between the parties not embodied herein shall be of any force or effect. Any amendment to this Agreement shall not be binding upon Seller or Buyer unless such amendment is in writing and executed by Seller and Buyer. The provisions of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, legal representatives, successors, and assigns. The headings inserted at the beginning of each paragraph are for convenience only, and do not add to or subtract from the meaning of the contents of each paragraph. Buyer shall not assign this Agreement or any interest in this Agreement before Closing without Seller's prior written consent.

9.12. **Attorney Fees.** If Buyer or Seller brings an action at law or equity against the other in order to enforce the provisions of this Agreement or as a result of an alleged default under this Agreement, the prevailing party in such action shall be entitled to recover court costs and reasonable attorney fees actually incurred from the other.

[Signatures to follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

SELLER: City and Borough of Wrangell

____

By: Mason Villarma, Borough Manager

BUYER:

____