

PURCHASE AGREEMENT

This Purchase Agreement (Agreement) is made by and between Fadey V. Kuzmin and Anna Kuzmin, as sellers, whose address is PO Box 3009, Homer, Alaska 99603, (jointly, Sellers) and the Kenai Peninsula Borough, an Alaska municipal corporation, as buyer, whose address is 144 North Binkley Street, Soldotna, Alaska 99669 (KPB) (together, the Parties).

WHEREAS, Sellers are the owners of that real property located in the Kenai Recording District, Third Judicial District, State of Alaska, and more particularly described as follows:

LOT THIRTY-NINE (39), KACHEMAK SELO, ACCORDING TO PLAT NO. 2002-43, HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA.
(PARCEL NO. 185-212-39) (the Property); and

WHEREAS, Sellers have agreed to sell a perpetual, non-exclusive easement located within the above-described Property located in the Kenai Recording District, Third Judicial District, State of Alaska, and more particularly described as follows:

THE EASEMENT TO CONSIST OF AN APPROXIMATE 60 FOOT BY 206 FOOT AREA LOCATED IN THE NORTHEAST CORNER OF THE ABOVE DISCRIVED LOT. SUBJECT EASEMENT LYING IMMEDIATELY NORTHWEST OF AND ADJACENT TO THE NORTH BOUNDARY OF LOT 36 AND CONSISTING OF APPROXIMATELY 0.30 ACRES. THE EASEMENT AREA TO BE UTILIZED FOR ANY AND ALL ACTIVITIES RELATED TO THE USE AND IMPROVEMENT OF LOT 36, INCLUDING ABOVE GROUND WASTEWATER TREATMENT INFRASTRUCTURE. A FORMAL MAP DEPICTING THE EASEMENT AREA TO BE AGREED TO BY BOTH PARTIES AND ATTACHED THE RECORDED EASEMENT AGREEMENT.
(the Easement); and

WHEREAS, KPB has offered to buy, and Sellers are willing to sell the above-referenced Easement as evidenced by this Agreement;

NOW THEREFORE, in consideration of the conditional promises herein contained, Sellers hereby agree to sell to KPB, and KPB hereby agrees to buy from Sellers, the Easement on the terms and conditions as set forth below:

1. PURCHASE PRICE

The purchase price of the Easement is thirty thousand U.S. DOLLARS (\$30,000.00). The purchase price must be paid by KPB at time of closing. The purchase of the Easement and

appropriation of funding for the purchase are subject to approval by the KPB Assembly.

2. EXPIRATION OF OFFER

Sellers must sign and return this Agreement to KPB on or before **JULY 5, 2024, at 4:30pm;** otherwise, this offer will terminate.

3. TITLE

The easement estate must be delivered at time of closing by easement document provided by and approved by KPB, which must be issued to KPB. Sellers warrant and covenant that at the time of closing there will be no liens or judgments recorded against Sellers in the same recording district in which the Easement subject to this Agreement is situated. Title must be clear of liens and encumbrances except title is subject to reservations, easements, rights-of-way, covenants, conditions and restrictions of record as agreed to by KPB.

4. ESCROW AND CLOSING COSTS

KPB agrees to pay for all KPB-related closing costs not otherwise addressed in this Agreement to include buyer closing and recording fees. Sellers agree to pay for seller-related closing costs, not otherwise addressed in this Agreement to include the ALTA Standard Owners Title Insurance policy insuring the easement estate, seller closing and recording fees. Property taxes for the current year must be paid at closing. Sellers are responsible for realtor's commission, if any; all unpaid taxes for prior years, if any; and all unpaid outstanding assessments, if any. All costs will be paid in full at the time of closing.

5. CLOSING

Unless otherwise agreed to in writing, closing will occur on or before **August 29, 2025,** or as specifically agreed to by the Parties. At closing, KPB will pay the balance of the purchase price, subject to authorization by the KPB Assembly and appropriation of funds. The Parties will execute all documents required to complete the Agreement and, if applicable, establish an escrow account. The closing agent will be determined by the Sellers.

6. POSSESSION

Possession of the Easement will be delivered to KPB at time of recording unless otherwise agreed to in writing by all Parties.

7. KENAI PENINSULA BOROUGH ASSEMBLY APPROVAL

Purchase of the Easement by KPB is subject to authorization by the KPB Assembly and appropriation of funds. If the KPB Assembly fails to authorize the purchase of the Easement and appropriate funds, this Agreement will terminate without penalty.

8. EXCHANGE

If Sellers intend for this transaction to be part of a Section 1031 like-kind exchange, KPB agrees to cooperate in the completion of the like-kind exchange provided KPB does not incur any additional liability or cost in doing so. If Sellers intend for this transaction to be part of a

Section 1031 like-kind exchange, Sellers may assign their rights under this Agreement to a qualified intermediary or any entity expressly created for the purposes of completing a Section 1031 like-kind exchange.

9. DISCLOSURES

Sellers hereby agree to provide written property disclosures including any and all information regarding known defects, deficiencies, legal matters, environmental issues or hazards, that may be personally known by the Sellers. If said written disclosures present a matter unsatisfactory to KPB, KPB may terminate this Agreement without penalty.

10. CONTINGENT ON INSPECTION

This offer and agreement are contingent upon the completion of a property inspection satisfactory to KPB for its use and at KPB's expense. Sellers must, upon reasonable notice, provide access to the Easement area for inspection purposes to KPB and its representatives. Any invasive inspection procedures require Sellers' expressed permission and must promptly be repaired by KPB in a workman-like manner. Unless otherwise provided in writing, KPB will have 30 days from the date of full execution of this Agreement to complete its property inspection.

11. HAZARDOUS MATERIAL

Sellers covenant to the best of Sellers' knowledge that, as of the date of this Agreement, except as specifically identified herein, the Easement area is free of all contamination from petroleum products or any hazardous substance or hazardous waste, as defined by applicable state or federal law, and there are no underground storage tanks or associated piping within the Easement area. Sellers agree that no hazardous substances or wastes will be located on, nor stored on the Easement area or any adjacent property owned or leased by Sellers, owner, or contractors, nor will any such substance be owned, stored, used, or disposed of on the Easement area or any adjacent property by Sellers, their agents, employees, contractors, or invitees, prior to KPB's ownership, possession, or control of the Property.

12. ENVIRONMENTAL CONTINGENCY

If, during the course of KPB's due diligence inspection of the Easement area pursuant to Section 10, "Contingent on Inspection", KPB discovers the presence of environmental hazards on or released from the Property in any quantity or concentration exceeding the limits allowed by applicable law, or that are deemed undesirable by KPB, KPB will have the right to give notice to Sellers, accompanied by a copy or copies of the third-party report(s) disclosing and confirming the presence of such hazardous materials. The notice and accompanying third-party report must be given no later than 60 days from receipt of said report. The notice under this Section must state:

- (i) that KPB is terminating this Agreement due to the presence of such hazardous materials on or adversely affecting the Easement area; OR

- (ii) provide Sellers 30 days from notice to provide a mitigation plan outlining steps taken by Sellers to remedy said hazards to KPB's satisfaction at Sellers' expense.

Following the notice and report described in this Section, the Parties may negotiate other resolutions as may be agreeable to the Parties in writing to be included as a part of this Agreement. In the event the Parties cannot agree in writing on a resolution to remedy any environmental concerns within 90 days of the notice, this Agreement will automatically terminate.

It is expressly understood that, by execution of this Agreement, Sellers hereby indemnify KPB for any and all CERCLA-related claims, liabilities, or matters, unless otherwise provided for in this Agreement. Said indemnification will survive closing and termination of this Agreement. Upon successful close of escrow said indemnification will continue for a period of not less than 12 months, from the date of closing unless otherwise provided for in this Agreement.

If this Agreement is terminated pursuant to any report detailing environmental conditions that may or may not exist on the Property, such report(s) will remain confidential and proprietary. The report(s) will be marked as confidential and will not be released to a private individual, entity, or non-profit without express agreement of the Parties. Notwithstanding, the report will be released pursuant to a valid court order and may be released to the State of Alaska upon request.

13. DEFENSE AND INDEMNIFICATION

Sellers must indemnify, defend, save, and hold KPB, its elected and appointed officers, agents, and employees, harmless from any and all claims, demands, suits, or liability of any nature, kind, or character including costs, expenses, and attorney's fees resulting from Sellers' performance or failure to perform in accord with the terms of this Agreement in any way whatsoever. Sellers will be responsible under this clause for any and all claims of any character resulting from Sellers' or Sellers' officers', agents', employees', partners', attorneys', suppliers', and subcontractors' performance or failure to perform this Agreement in any way whatsoever. This defense and indemnification responsibility includes claims alleging acts or omissions by KPB or its agents, which are said to have contributed to the losses, failure, violations, or damage. However, Sellers will not be responsible for any damages or claims arising from the sole negligence or willful misconduct of KPB, its agents, or employees.

14. ENTIRE AGREEMENT

This Agreement and the documents referred to herein contain the entire agreement of the Parties with respect to the subject matter hereof. Any changes, additions, or deletions hereto must be made in writing and signed by both KPB and Sellers or their respective successors in interest. Provisions of this Agreement, unless inapplicable on their face, will be covenants constituting terms and conditions of the sale, and will continue in full force and effect until the purchase price is paid in full or this Agreement is earlier terminated.

15. BREACH REMEDY

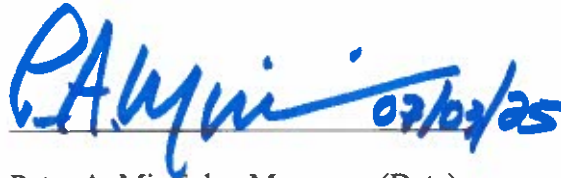
Prior to closing of the sale, in the event that KPB or Seller fail to make any payment required, or fail to submit or execute any and all documents and papers necessary for closing and transfer of title within the time period specified in this Agreement, the Seller or KPB may:

- a. Demand the delinquent Party specifically perform on all of the duties and obligations under this Agreement; or
- b. Terminate this Agreement.

16. MISCELLANEOUS

- A. Time. Time is of the essence in performance of this Agreement.
- B. Cancellation. This Agreement, while in good standing, may be canceled in whole or in part, at any time, upon mutual written agreement by Sellers and the KPB Mayor. This Agreement is subject to cancellation in whole or in part if improperly issued through error in procedure or with respect to material facts. KPB may cancel this Agreement without penalty in the event additional contracts required of this project are not secured.
- C. Notice. Any notice or demand which, under the terms of this Agreement or under any statute must be given or made by the Parties thereto, must be in writing, and be given or made by registered or certified mail, addressed to the other Party at the address shown on the contract. However, either Party may designate in writing such other address to which such notice of demand may thereafter be so given, made or mailed. A notice given hereunder will be deemed received when deposited in a U.S. general or branch post office by the addressor.
- D. Interpretation. This Agreement will be deemed to have been jointly drafted by the Parties. It will be construed according to the fair intent of the language as a whole, not for or against either Party. The interpretation and enforcement of this Agreement will be governed by the laws of the State of Alaska. Any lawsuit brought arising from this Agreement must be filed in the superior court of the Third Judicial District, State of Alaska, located in the City of Homer, Alaska. The titles of sections in this Agreement are not to be construed as limitations of definitions but are for identification purposes only.
- E. Condition of Easement area.
Sellers will deliver the Easement area in its as-is condition.
- F. Counterparts. This Agreement may be executed in counterpart, and may be executed by way of copy, facsimile or verified electronic signature in compliance with AS 09.80, and if so, each of which will be deemed an original but all of which together will constitute one and the same instrument

KENAI PENINSULA BOROUGH:

 07/02/25

Peter A. Micciche, Mayor (Date)

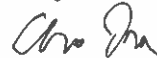
SELLERS:



7/2/2025

Fadey V. Kuzmin

(Date)



7/2/2025

Anna Kuzmin

(Date)

ATTEST:



Michele Turner, CMC
Borough Clerk

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:



A. Walker Steinhage
Deputy Borough Attorney

