



UNIVERSITY
of ALASKA

Many Traditions One Alaska

***ASSUMPTION OF DEED OF TRUST
AND DEED OF TRUST NOTE
TERMS AND CONDITIONS***

Facilities and Land Management
1815 Bragaw Street, Suite 101
Anchorage, Alaska 99508-3438
PHONE: (907) 786-7766
FAX: (907) 786-7733

**ASSUMPTION OF DEED OF TRUST AND DEED OF TRUST NOTE
TERMS AND CONDITIONS
Revised on 03/26/18**

UNIVERSITY OF ALASKA LAND

The trust land owned and managed by the University of Alaska was originally granted to the University by the Federal Government in accordance with two Acts of Congress dated March 4, 1915, and January 21, 1929. These trust lands are for the exclusive use and benefit of the University of Alaska, and therefore, are not state public domain land. The University develops, leases, and sells land and resources to generate revenue for the University's Land Grant Trust Fund ("Fund"). Proceeds from the Fund are used for, among other things, the UA Scholars Program, natural resources related education and research, Fund inflation proofing and the effective management and development of the University's land portfolio.

UNIVERSITY FINANCING; ASSUMPTION OF FINANCING

When the University sells land, it may finance a portion of the purchase price paid by the original buyer. The University financing is completed under a deed of trust and deed of trust note. If the owner of real property financed by the University ("Seller") wants to sell its property before the loan is paid off and the new buyer ("Buyer") wishes to assume the University loan, the Seller and Buyer must obtain the University's approval of the assumption. To obtain that approval, the Seller and Buyer must comply with this *Assumption of Deed of Trust and Deed of Trust Note Terms and Conditions*, under which the University may consent to such an assumption. If Seller and Buyer fail to secure written approval from the University prior to Seller's transfer of the property to Buyer, the University may, at its sole option, declare all sums secured by Seller's deed of trust to be immediately due and payable, pursuant to Paragraph 14 of the deed of trust.

- 1. REVIEW SELLER'S ESCROW DOCUMENTS.** Prior to submitting the attached Assumption Consent Request Form ("Assumption Form") and paying the Assumption Fee described in Paragraph 3 herein, Buyer should carefully review the Quitclaim Deed, Deed of Trust, Deed of Trust Note, Request for Full Reconveyance, Escrow Instructions, Escrow/Collection Instructions, Truth in Lending Disclosure Statement and any other closing documents previously executed by Seller ("Closing Documents"). If Buyer assumes Seller's loan, Buyer will be subject to all of the terms and conditions stated in Seller's Closing Documents, and Buyer will be required to certify Buyer has reviewed all of Seller's closing documents.
- 2. ASSUMPTION CONSENT REQUEST FORM.** Each request to assume a Deed of Trust and Deed of Trust Note held by the University of Alaska ("Loan") **must** be made on the attached Assumption Form. The Assumption Form must be completed in its entirety and signed by both Seller and Buyer. The completed form must be sent, along with the non-refundable Assumption Fee described in Paragraph 3 herein, to the following address:

**University of Alaska
Facilities and Land Management
1815 Bragaw Street, Suite 101
Anchorage, Alaska 99508-3438**

- 3. NON-REFUNDABLE ASSUMPTION FEE.** A non-refundable fee in the amount of **FIVE HUNDRED AND NO/100 DOLLARS (\$500.00)** must be submitted with the Assumption Form ("Assumption Fee"). The Assumption Fee must be in the form of a **cashier's check or money order**, made **payable to the University of Alaska**. The Assumption Fee is non-refundable and will be retained by the University as liquidated damages, and not as penalty, if the assumption of Seller's Loan by Buyer does not close for any reason whatsoever, including but not limited to Buyer's failure to qualify for financing with the University. In addition to the non-refundable Assumption Fee, Seller and Buyer must submit all of the direct costs associated with the assumption described in Paragraph 7.g. herein.
- 4. APPROVAL OF CREDIT.** Verification of Buyer's financial ability to repay the balance of Seller's Loan amount shall be required of all Buyers requesting to assume a Loan. This may include, but not be limited to, an examination

of Buyer's credit history, debt obligations, income and assets of the Buyer. At a minimum, Buyer shall be required to submit a loan application; verifications of employment, bank deposits, credit and rent; and, pay for and furnish a mortgage/credit report issued by a credit-reporting agency approved by the University. Additional pertinent information must be provided to the University upon request. The University reserves the right to decline any and all Assumption Consent Requests, including Assumption Consent Requests submitted by Buyers who have previously financed the purchase of real property owned by the University, but are in default, or have been in default in the past on these loans.

- 5. FAILURE TO MEET CREDIT REQUIREMENTS.** In the event the University determines that, in its sole opinion, Buyer does not possess the financial ability to repay the remaining balance of Seller's loan, the Assumption Consent Request shall be denied, and all monies which have been collected, including the Assumption Fee, shall be retained as liquidated damages, and not as penalty, to cover any costs that the University has incurred related to the assumption, including, but not limited to, reimbursing the University's administrative costs associated with the Assumption Consent Request (for which the University has charged the Assumption Fee).
- 6. ASSUMPTION AGREEMENT REVIEW AND REQUIREMENTS.** If Buyer qualifies for financing with the University, Seller and Buyer will be required to sign and date an original copy of the University's Assumption Agreement. A sample Assumption Agreement is available for review at <http://www.ualand.com>. It is the Seller's and Buyer's responsibility to review the Assumption Agreement prior to submitting an Assumption Form and Assumption Fee. The University reserves the right to modify any or all documents relating to an assumption of a University Loan up to the time of closing. **Seller and Buyer shall not modify the assumption documents provided by the University. Any modification to the assumption documents by Seller or Buyer shall be grounds for denial by the University of its consent to the assumption of Seller's loan by Buyer and shall result in the forfeiture of the Assumption Fee under the terms of Paragraph 9 herein.**
- 7. ASSUMPTION TRANSACTION CLOSING.** If Buyer qualifies for financing with the University, to complete the assumption Buyer and Seller will be required to complete the following:

 - a. Escrow Account Current.** Seller and/or Buyer must ensure that Seller's escrow account at First National Bank of Alaska is paid current (including late fees, interest and principal due).
 - b. Assumption Agreement.** Seller and Buyer must execute the Assumption Agreement provided by the University, before a notary, and return the executed Assumption Agreement to the University within **FIFTEEN (15) DAYS of the date it is sent to Seller**. The University will not accept copies of the original Assumption Agreement or any alterations to the original Assumption Agreement.
 - c. Change of Payer.** Seller and the Buyer must both execute the First National Bank Alaska, Change of Payer form provided by the University and return the executed Change of Payer form to the University within **FIFTEEN (15) DAYS of the date it is sent to Seller**. The University will not accept copies of the original Change of Payer form or any alterations to the original Change of Payer form.
 - d. Amendment to Escrow Instructions.** Seller and the Buyer must both execute the First National Bank Alaska, Amendment to Escrow Instructions provided by the University and return the executed Amendment to Escrow Instructions to the University within **FIFTEEN (15) DAYS of the date it is sent to Seller**. The University will not accept copies of the original Amendment to Escrow Instructions or any alterations to the original Amendment to Escrow Instructions.
 - e. Execute Deed.** Seller must execute a deed before a notary, transferring all interest in the property to the Buyer. The names on the deed must appear exactly as the names appear on the Assumption Agreement. The University will not provide the Seller with the deed for this transaction. The executed unrecorded deed must be sent to the University with the Assumption Agreement.

- f. **Other Documents.** Seller and Buyer must execute any other University documents as determined by the University to be reasonably necessary to complete the assumption of Seller's Loan with the University by Buyer.
- g. **Additional Payments Required.** Seller and Buyer must submit payments to the University to cover all direct costs associated with the assumption, including but not limited to mortgage/credit reporting fees (approximately \$50), recording fees (\$40 - \$75) and First National Bank Alaska fees (approximately \$225).
8. **CLOSING.** The University closes all University transactions, including the assumption of University Loans. The University will control the recording of the University's Assumption Agreement, Seller's deed and other University documents, as necessary to complete the assumption. The University may, at its sole discretion, coordinate the recording of the University's documents with Seller's and Buyer's designated title insurance agency to facilitate the issuances of owners' standard title insurance policies, if applicable. Seller and Buyer shall be responsible for paying all closing costs. Closings will generally take place between **SIXTY (60) DAYS and NINETY (90) DAYS** after the University's receipt of the Assumption Form from Buyer and Seller.
9. **RETENTION OF ASSUMPTION FEE AND OTHER PAYMENTS AS LIQUIDATED DAMAGES.** In the event the University denies the Assumption Consent Request, or Seller and/or Buyer fail to make any payments, perform any obligations, or submit or execute any and all documents and papers necessary in connection with the assumption within the time periods specified in these terms and conditions or other reasonable time periods as specified by the University, all monies which have been collected, including the Assumption Fee, shall be retained by the University as liquidated damages, and not as penalty, and the assumption transaction shall be terminated and the University shall be under no obligation to consent to the assumption of Seller's loan by Buyer.
10. **LIABILITIES.** The University shall have no liability to either Seller or Buyer relating to the assumption of Seller's loan by Buyer, or its consent or failure to consent to any assumption. It is Buyer's responsibility to examine the real property secured by the University Loan and to take all steps necessary to evaluate any and all conditions affecting the use of the property. It is the responsibility of Seller and Buyer to develop and execute any documents that are not provided by the University but that may be necessary to transfer title to Seller's property secured by a University Loan, including but not limited to a purchase agreement and deed. All matters of title shall be the responsibility of Seller and Buyer. **THE UNIVERSITY EXPRESSLY DISCLAIMS ANY RESPONSIBILITY OR OBLIGATION RELATING TO TITLE TO THE REAL PROPERTY SECURED BY THE UNIVERSITY LOAN.** Prior to submitting an Assumption Form to the University, Seller and Buyer should review a current preliminary commitment for title insurance to identify all encumbrances on the property and defects in the title to the property being transferred from Seller to Buyer. **THE UNIVERSITY SHALL HAVE NO LIABILITY TO EITHER SELLER OR BUYER FOR THE ASSUMPTION OF A UNIVERSITY LOAN ON REAL PROPERTY WITH DEFECTIVE TITLE.**
11. **QUESTIONS OR COMMENTS.** Questions or comments concerning these terms and conditions must be made in writing, expressly identified as a question or comment concerning this *University of Alaska Assumption of Deed of Trust and Deed of Trust Note Terms and Conditions*, and submitted to the address listed in Paragraph 2, herein. Buyers and Sellers shall not rely in any manner upon any verbal information received from the University for any purpose, including interpretation of any of these terms and conditions or compliance with the requirements of these terms and conditions. Protests by Buyers and/or Sellers based upon any omissions or errors, or the content of these terms and conditions, will be disallowed if not made in writing prior to submitting an Assumption Form.
12. **AGE REQUIREMENT.** Buyers must be at least **EIGHTEEN (18) YEARS** of age in order to assume a University Loan. **THE UNIVERSITY WILL NOT ENTER INTO A CONTRACT WITH ANYONE UNDER EIGHTEEN (18) YEARS of age.**
13. **CONDITIONS, INCLUDING MODIFICATIONS TO THESE TERMS AND CONDITIONS.** The University reserves the right to modify these terms and conditions, at its sole discretion, at any time without prior notice. Sellers and Buyers shall be bound by the most current *University of Alaska Assumption of Deed of Trust and Deed of Trust Note Terms and Conditions* at the time the Assumption Form is submitted to the

University. Modifications may include, but not be limited to, a change in the Assumption Fee amount or other terms of the assumption. It is the sole responsibility of Sellers and Buyers to ensure that they have received the most current terms and conditions and related material prior to submitting an Assumption Form. The University shall not be liable for any expenses incurred by any parties submitting Assumption Consent Requests, including but not limited to Assumption Consent Requests that were denied because the University determined, in its sole opinion, the Buyer did not possess the financial ability to repay the balance of Seller's Loan amount. The University reserves the right to waive technical defects in this *University of Alaska Assumption of Deed of Trust and Deed of Trust Note Terms and Conditions*.

14. ADMINISTRATIVE PROTESTS OF UNIVERSITY DECISIONS.

An Offeror may protest a University decision concerning the offer or the sale and if appropriate appeal that decision as follows:

- a. **Protest to the Chief Strategy, Planning, and Budget Officer.** An Offeror may protest any decisions made in relation to the offer or this sale to the Chief Strategy, Planning, and Budget Officer for Facilities and Land Management of University of Alaska. To protest a decision, the Offeror must: (i.) notify the Chief Strategy, Planning, and Budget Officer, in writing, at the address listed in Section 2, of the protest, within **TEN (10) CALENDAR DAYS** after the University has given notice of the decision the Offeror wishes to protest; and (ii.) explain in detail all the reasons for the protest and the relief requested.
- b. **Decision of the Chief Strategy, Planning, and Budget Officer.** The Chief Strategy, Planning, and Budget Officer shall consider the protest and may request additional information and documentation from the Offeror. The Chief Strategy, Planning, and Budget Officer will issue a written determination within **FIFTEEN (15) CALENDAR DAYS** after the offeror has supplied the requested information and documentation. If necessary and at the request of the Chief Strategy, Planning, and Budget Officer, the University's Chief Procurement Officer may extend this deadline provided the Chief Strategy, Planning, and Budget Officer establishes good cause for the extension. Any request for an extension granted by the Chief Procurement Officer must be in writing and mailed to the Chief Strategy, Planning, and Budget Officer and the Offeror. If the Chief Strategy, Planning, and Budget Officer does not issue a written decision on the protest within **NINETY (90) CALENDAR DAYS** after the Offeror has filed the requested information and documents with the Chief Strategy, Planning, and Budget Officer and within any extension granted by the Chief Procurement Officer, then Offeror's protest shall be deemed to have been denied.
- c. **Appeal from a Decision of the Chief Strategy, Planning, and Budget Officer.** Offeror may appeal the decision of the Chief Strategy, Planning, and Budget Officer to the Chief Procurement Officer. Offeror must file written notice of the appeal, a copy of the Chief Strategy, Planning, and Budget Officer's decision, and a list of all legal and factual issues in dispute no later than **FIFTEEN (15) CALENDAR DAYS** after the date the Chief Strategy, Planning, and Budget Officer mailed the decision to the Offeror.
- d. **Decision of the Chief Procurement Officer.** Within **FIFTEEN (15) CALENDAR DAYS** of receipt of the appeal, the Chief Procurement Officer shall adopt the decision of the Chief Strategy, Planning, and Budget Officer as the Chief Procurement Officer's final decision or give notice that a hearing will be held to resolve the dispute. The notice adopting the Chief Strategy, Planning, and Budget Officer's decision or setting a hearing will be served, in writing, on Offeror and the Chief Strategy, Planning, and Budget Officer. If there is a hearing, it will be conducted under Sections 10.14 - 16 of the University's Procurement Code, Board of Regents Policy 05.06.670 and Alaska Statute 36.30.670, as amended or superseded from time to time. The Chief Procurement Officer's decision must be issued, in writing, and mailed to the Offeror and the Chief Strategy, Planning, and Budget Officer within **TWENTY (20) CALENDAR DAYS** after the hearing. Chief Procurement Officer's decision is the final University decision.

- e. **Appeal from the Final Decision of the Chief Procurement Officer.** An appeal of the Chief Procurement Officer's final decision may be filed under Appellate Rule 602(a) (2) with the Superior Court, Third Judicial District, located in Anchorage, Alaska no later than **THIRTY (30) CALENDAR DAYS** of the date the Chief Procurement Officer mailed the final decision to the Offeror.

- f. **Stay.** A protest or appeal will not automatically stay a decision of the University. A party protesting or appealing must request a stay of the decision. Such a stay may be granted only where the Chief Strategy, Planning, and Budget Officer or Chief Procurement Officer finds that the Offeror has met the standards in AS 36.30.575.

**UNIVERSITY OF ALASKA
ASSUMPTION CONSENT REQUEST FORM**

INSTRUCTIONS: Please print legibly. This form must be filled out in its entirety and must be submitted with the **NON-REFUNDABLE** assumption fee in the amount of **FIVE HUNDRED AND NO/100 DOLLARS (\$500.00)**. This form must be submitted to the University of Alaska, Facilities and Land Management, at 1815 Bragaw Street, Suite 101, Anchorage, Alaska 99508-3438.

SELLER

Please enter Seller's name exactly as it appears on Seller's Closing Documents previously executed with the University:

NAME _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

TELEPHONE NUMBER () _____ CELL NUMBER () _____

E-MAIL ADDRESS: _____

BUYER

Please enter Buyer's full legal name(s), as it will appear on the Assumption Agreement and Deed:

NAME(S) _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

TELEPHONE NUMBER () _____ CELL NUMBER () _____

E-MAIL ADDRESS: _____

PROPERTY LEGAL DESCRIPTION

LOT _____ BLOCK _____ SUBDIVISION _____

CONTINUED ON NEXT PAGE

ASSUMPTION FEE

We hereby submit a **NON-REFUNDABLE** Assumption Fee in the amount of:

FIVE HUNDRED AND NO/100 DOLLARS (\$500.00)

The Assumption Fee must be in the form of a **cashier's check or money order**, made **payable to the University of Alaska**. The Assumption Fee is non-refundable and will be retained by the University as liquidated damages, and not as penalty, if the assumption of Seller's Loan by Buyer does not close for any reason whatsoever, including but not limited to Buyer's failure to qualify for financing with the University.

SIGNATURES

WE HEREBY CERTIFY that we have read and understand the *Assumption of Deed of Trust and Deed of Trust Note Terms and Conditions* and accept the terms and conditions therein. We have enclosed the non-refundable Assumption Fee in the form of a cashier's check or money order, payable to the University of Alaska. Additionally, we agree to pay all closing costs and all other fees associated with this Assumption Consent Request as described in the *Assumption of Deed of Trust and Deed of Trust Note Terms and Conditions*. **IF FOR ANY REASON THE ASSUMPTION BETWEEN SELLER AND BUYER DOES NOT CLOSE, WE AGREE THAT THE ASSUMPTION FEE SHALL BE RETAINED BY THE UNIVERSITY AS LIQUIDATED DAMAGES AND NOT AS PENALTY.**

I hereby certify that we are each **EIGHTEEN (18) YEARS** of age or older.

SELLER:

(Seller's Signature) (Date)

SELLER:

(Seller's Signature) (Date)

BUYER:

(Buyer's Signature) (Date)

BUYER:

(Buyer's Signature) (Date)