



# Fairbanks North Star Borough

Mayor's Office  
Natural Resources Development

land@fnsb.gov  
Main: (907) 459-1241  
Fax: (907) 459-1122

## FACT SHEET

### How and when does Borough owned land go up for sale?

It is the intent and goal of the Division of Natural Resources Development to offer for sale all patented, unretained, and general grant lands to the general public. All sales must first be authorized by the Assembly by ordinance. Once a parcel or group of parcels is approved for sale, the land can then be offered via a competitive sealed bid auction. Other common types of Borough land sales are over-the-counter (OTC), direct sales, and tax foreclosure. Land can also be nominated by the public to be considered for sale. See Land Nominations below for more.

### Where did the Borough get this land?

Most Borough land offered for sale comes from the approximately 112,000 acres of land granted to the Borough in 1978 by the State of Alaska through the Municipal Entitlement Act. The purpose of the land transfer was to provide short-term revenue through leases and sales, long-term revenue by transferring land into private ownership and increasing the tax base, and having land available for municipal public purposes, such as schools and parks.

### Why use the auction process?

A public auction is used to ensure a fair and equitable opportunity to purchase Borough land authorized for sale by the Assembly. The Mayor will sell the land by public sealed bid auction to the highest bidder who performs all the terms of the sale.

### How is the listing price determined?

The prices are determined by fair market appraisal and must be approved by the Borough Assembly.

### How does a sealed bid auction work?

Auctions are open for thirty (30) days and highest bid wins. (No discount offered to cash buyers.) Sealed bids may be placed online, by email, regular mail, or in person. All bids must be accompanied by five percent (5%) of the bid amount. Only the winning bidder will have their credit card charged or certified check cashed.



### What happens if I am the successful bidder?

You will have seven (7) days to sign a purchase and sale agreement, when an additional five percent (5%) of the bid amount will be required. You are encouraged to seek buyer representation from a State of Alaska Licensee and the Borough will work with the closing agency (title company) of your choice. If you choose not to pursue the purchase, you will forfeit the five percent (5%) submitted.



### Who can participate in the auction?

Participants in the sealed bid auction must be at least eighteen (18) years of age. No person delinquent in property tax owed or other financial obligation to the Borough may participate in the auction. Everyone else is encouraged to bid.

### Is Borough financing available?

Yes, the Borough offers financing to qualified buyers, at competitive interest rates on a Deed of Trust Note. See our flyer for more details.

### When is the next land sale?

The sealed bid auction is scheduled from September 15 to October 15 for those parcels authorized for sale by the Assembly. (Dates are subject to change). Look for the advertisements in the Daily News-Miner and on the Borough's website ([fnsblandsales.com](http://fnsblandsales.com)). Contact the Borough via phone (459-1241) or email ([land@fnsb.gov](mailto:land@fnsb.gov)) for available information.

### Do I have to pay taxes?

Property sold by the Borough is subject to property taxes and assessments beginning with the tax year following the year in which the property is purchased. There is no property tax due currently.

### What else should I know?

Prospective buyers are encouraged to personally inspect any and all parcels prior to bidding. Every participant should thoroughly research the parcels and are welcome to use the "Buyer's Checklist" handout to assist. Although the Borough has researched auctioned land, the Borough makes no representation, either express or implied, regarding its quality, merchantability, or fitness for a particular purpose. The land is sold "as is" and the buyer assumes all risk as to its quality and suitability for an intended use.

### What are land nominations?

All Borough owned lands are open for nomination by the public or the Mayor, provided they are not already sold, designated for another use, or in the planning process for sale. A land nomination is an opportunity for residents to propose future use of Borough-owned land, including sale. Once land has been nominated for sale, it undergoes internal and public review. The Assembly ultimately determines which property may be developed and sold, proposed for further planning and research, or retained. The current process to nominate land is by submitting a nomination form.

### What other types of land sales exist?

**Over-the-counter (OTC):** Parcels that do not sell at auctions are offered at appraised value on a first-come, first-served basis.

**Direct Sale:** Available to those holding an existing interest in a parcel, such as via a lease or mining claim, or who own land with a common border to that parcel. Direct sales may become competitive if more than one person holds direct interest in the land.

**Tax Foreclosure:** A list of foreclosed properties is posted in June. Foreclosed properties available for sale are offered in the tax foreclosure auction held in August by the office of Treasury and Budget.