



## Inert Waste Monofill Permit Application

Alaska Department of Environmental Conservation  
Solid Waste Program

**ADEC Office Only:**

Facility Name:

Authorization #:

**Instructions:**

This application is for a new permit or permit renewal for an inert waste monofill.

In the application, the term **“facility”** refers to all land, structures, other appurtenances, and improvements on land used for treatment, storage, or disposal of solid waste.

If a required item is not applicable, please explain why. Include all the applicable information for each item regardless if it has been previously submitted. The specific location of information within each submitted document or attachment must also be noted for each item.

**The application must be stamped and signed by a registered engineer, in accordance with 18 AAC 60.210(c).**

For a new facility or significant change to an existing facility, prepare a draft application with a list of questions and schedule a meeting with the ADEC Solid Waste Program.

**Section 1. Property Information**

Facility Name: **Palmer Reclamation Site**

Facility Address: **550 Rebarcheck Avenue**

Facility City: **Palmer**

Facility Zip: **99645**

Legal Property Description:

The Northeast one-quarter of the Southeast one-quarter (NE 1/4, SE 1/4), Section 8, Township 17 North Range 2 East, Seward Meridian, Located in the Palmer Recording District, Third Judicial District, State of Alaska.

Section: **8**

Township: **17**

Range: **2 East**

Meridian: **Seward**

General Property Description:

The Palmer Reclamation Site (PRS) is located immediately southeast of the Alaska State Farigounds and is approximately 1.5 miles south of downtown Palmer, Alaska

Latitude: **61.34.597 N**

Longitude: **149.07.367 W**

Landowner: **Alaska Demolition LLC**

Contact Name: **Justin Green**

Address: **2817 Rampart Drive, Suite 101**

City: **Anchorage**

State: **AK**

Zip: **99501**

Email: **justin@akdemo.com**

Phone: **907-274-3366**

Section 2. Contact Information			
<b>Permit Applicant (Co. or Entity): Alaska Demolition LLC</b>			
Contact Name: <b>Justin Green</b>			
Address: <b>2817 Rampart Drive, Suite 101</b>	City: <b>Anchorage</b>	State: <b>AK</b>	Zip: <b>99501</b>
Email: <b>justin@akdemo.com</b>	Phone: <b>907-274-3366</b>		
Type of Entity:	<input type="checkbox"/> Government	<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Other:
State of Incorporation or Registration: <b>Alaska</b>	Alaska Business License Number: <b>278021</b>		
IRS Tax ID Number: <b>92-0168727</b>			
<b>Facility Owner (if different than applicant): same as applicant</b>			
Contact Name:			
Address:	City:	State:	Zip:
Email:	Phone:		
<b>Facility Operator (if different than applicant): same as applicant</b>			
Contact Name:			
Address:	City:	State:	Zip:
Email:	Phone:		
<b>Agent/Consultant: Restoration Science &amp; Engineering, LLC</b>			
Contact Name: <b>Neil Waggoner, PE</b>			
Address: <b>911 W. 8th Ave, Suite 100</b>	City: <b>Anchorage</b>	State: <b>AK</b>	Zip: <b>99501</b>
Email: <b>nwaggoner@restorsci.com</b>	Phone: <b>907-602-8931</b>		

Section 3. Fees	
A check or money order for the appropriate fee [listed in 18 AAC 60.700(a) Table E-2] must be submitted with the permit application. If not included, the application will be returned to the applicant.	
Submit payment for the first year's annual fee with the initial application for a facility. No fee is required for permit renewal applications; annual fees will be billed each year.	
You will be billed separately for time spent reviewing waiver requests.	
This application is for a:	<input type="checkbox"/> New Permit <input checked="" type="checkbox"/> Permit renewal

**Section 4. Cover Letter and Certifications**

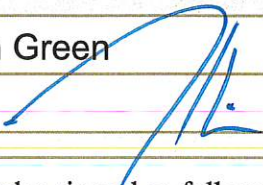
Submit a cover letter with the following information and signature.

1. A statement indicating you wish to obtain a permit for an Inert Waste Monofill.
2. Evidence showing that the proposed facility meets the requirements for an Inert Waste Monofill.
3. A brief general description of the topography, geology, climate, surface hydrology and groundwater hydrology of the area of the facility.
4. A statement that you are aware of all applicable local ordinances and zoning requirements and a list of any other necessary permits or authorizations.
5. The applicant must sign the cover letter.
6. The applicant must submit the following signed statement, which may be added exactly as shown in the box below to the cover letter, or the applicant may sign this sheet and submit it as an attachment to the cover letter.

**I certify, under penalty of perjury, that all of the information and exhibits in this cover letter and application are true, accurate, and complete.**

Printed Name: **Justin Green**

Title: **Owner**

Signature: 

Date: **4/24/2024**

**All applications must be signed as follows per 18 AAC 15.030:**

- **Corporations:** A principal executive officer, an officer that is no lower than the level of vice president, or a duly authorized representative who is responsible for the overall management of the project or operation.
- **Municipal, state, federal, or other public entity:** A principal executive officer, ranking elected official, or duly authorized employee.
- **Partnerships:** A general partner.
- **Sole proprietorship:** The proprietor

**Section 5. Waste Handling and Processing Information** [18 AAC 60.210]

1. List the approximate quantities and types of waste you expect to receive at the facility each year:

<u>Quantity</u>	<u>Waste</u>
<input type="radio"/> Tons <input checked="" type="radio"/> Cubic yds.	
50,000-80,000	Construction & Demolition Waste
100.0	Non-Regulated Asbestos Containing Material (Non-RACM)
	Other:
	Other:
	Other:
	Other:
50100-80100	<b>TOTAL</b>

2. Check the type(s) of waste processing done at the facility before waste is disposed:

<input type="checkbox"/> Baling	<input checked="" type="checkbox"/> Separation/Segregation
<input type="checkbox"/> Shredding	<input type="checkbox"/> Composting
<input checked="" type="checkbox"/> Salvage/Reuse	<input type="checkbox"/> Dewatering
<input checked="" type="checkbox"/> Other:	<input type="checkbox"/> Other:

**Section 6. Location Information**

*Please identify the attachment that addressed each requested item*

1. **Property Ownership and Location Information** [18 AAC 60.210] **Identify Attachment**

a. Attach a copy of the deed or another legal document that identifies the landowner(s) of the facility.	Attachment 2
b. If the applicant is not the landowner, attach a written and notarized statement or a copy of any lease agreement signed by the landowner showing that the landowner consents to the facility and placement of a notation to the deed of the property as required by 18 AAC 60.490.	Not Applicable

2. **Surface Water Information** [18 AAC 60.210; 18 AAC 60.225; 18 AAC 60.315, 18 AAC 60.410]

a. Distance to nearest surface water body: <b>5,000 feet</b>	
b. Provide information on potential for surface water (storm water or ponds, streams, etc.) to run-on to the facility.	Attachment 1
c. Provide information on the potential for sediment carried by run-off from the facility to impact nearby surface waters.	Attachment 1
d. If the facility is located in a floodplain, attach documentation to demonstrate the facility will not restrict the flow of the flood, reduce the temporary storage capacity of the floodplain, and is designed to protect against washout of the solid waste.	Attachment 1
e. For new facilities or lateral expansion, attach a Wetlands Determination from the U.S. Army Corps of Engineers or information from the National Wetlands Inventory documenting that the facility location is not designated as wetlands. <i>Note: If the new facility or lateral expansion is located in a wetland, you must also complete a ADEC Additional Wetlands Information Form.</i>	Attachment 3

<b>Section 6. Location Information</b> (continued)		
3.	<b>Groundwater Information</b> [18 AAC 60.040; 18 AAC 60.210; 18 AAC 60.217]	<u>Identify Attachment</u>
	a. Attach information documenting the highest measured level of groundwater at the facility.	Attachment 1
	b. Annual precipitation: <b>15.7</b> inches	
	c. Source used to determine annual precipitation: <a href="https://wrcc.dri.edu/cgi-bin/cliMAIN.pl?ak6870">https://wrcc.dri.edu/cgi-bin/cliMAIN.pl?ak6870</a>	
4.	<b>Permafrost Information</b> [18 AAC 60.210; 18 AAC 60.227; 18 AAC 60.315; 18 AAC 60.410]	
	a. If the facility is located on permafrost, provide details on why there is not a practical alternative to the location.	Attachment 1
	b. If the facility is located in discontinuous permafrost, provide details of what is known regarding the permafrost (e.g. total depth, depth of active zone, areal extent, temperature, etc.).	Attachment 1
5.	<b>Maps</b> Attach maps and/or aerial photographs as needed to show the following. You may submit maps that show more than one of the required items. For example, one map can show property boundaries, wetland and surface water locations, etc. [18 AAC 60.210; 18 AAC 60.315; 18 AAC 60.320, 18 AAC 60.410]	<u>Identify Attachment</u>
	a. Location of the facility property boundaries.	Figure 1
	b. Location and flow direction of surface water bodies, streams, and containment or diversion structures, within 500 feet of the facility property boundaries.	Figure 1
	c. Location of all drinking water sources within one-half mile of the facility property boundary. There should be no drinking water sources within 500 feet of the facility property boundary.	Figure 1, Attachment 1
	d. Location of the boundary of any wetlands within 500 feet of the facility property boundary.	Figure 1
	e. Location of the known or inferred boundaries of permafrost or discontinuous permafrost within 500 feet of the facility property boundaries.	Figure 1
	f. Location of the boundary of any 100-year floodplain in the area.	See Attachment 1
	g. Location of any documented earthquake faults or unstable areas within 200 feet of the facility property boundary.	Figure 1

<b>Section 7. Facility Design</b>		
A complete set of design drawings with the following information must be submitted. Please ensure that the documentation represents the current conditions for the entire facility.		
1.	<b>Facility map(s) which show site conditions, including:</b> [18 AAC 60.210; 18 AAC 60.220; 18 AAC 60.410; 18 AAC 60.420; 18 AAC 60.450]	<u>Identify Attachment</u>
	a. All previous, existing and planned disposal areas. The drawings should demonstrate all waste will remain at least 50 feet from the facility property boundary.	Attachment 1
	b. Fences, gates, berms and other access control devices.	Figure 1
	c. Access roads to and within the facility.	Figure 1
	d. Storage area(s) for equipment, cover material, etc.	Figure 1

Section 7. Facility Design (continued)		<u>Identify Attachment</u>
2.	<b>Plan view drawings</b> with contour lines <u>and</u> cross section drawings that show: [18 AAC 60.210]	
	a. All planned excavations before facility construction	Attachment 1
	b. All roads, ditches, trenches and berms associated with the facility.	Figure 1
	c. Any planned liquid or leachate collection piping system, including manholes, sumps, and pump stations.	Attachment 1
	d. Any planned gas venting or gas collection piping system.	Attachment 1
3.	<b>Construction detail drawings and cross sections</b> that show: [18 AAC 60.210; 18 AAC 60.225]	
	a. Any liner construction details, including liner anchors, liner penetrations, etc.	Attachment 1
	b. Storm water drainage structures, culverts and other surface water control devices.	Attachment 1
4.	<b>Permafrost Design Requirements</b> [18 AAC 60.227]	
	a. Engineering properties of each earthen layer of ground beneath the facility, including grain size distribution, thaw strain properties, and water content.	Not Applicable
	b. An estimation of maximum thaw depth that is likely to occur beneath the facility and an estimation of the ground deformation that will occur based on thawing	Not Applicable
	c. Design of engineering features that will be incorporated at the facility to prevent thawing of the ground.	Not Applicable
5.	<b>Design calculations, data and documentation</b> must include the following with supporting calculations. [18 AAC 60.210; 18 AAC 60.227; 18 AAC 60.410]	
	a. Printouts of inputs, assumptions and outputs from any computer model used to support the facility design.	Engineer Review Letter
	b. Information and calculations of the maximum inventory of wastes that will be disposed onsite over the usable life of the facility, including the maximum design capacity of the facility.	Engineer Review Letter
	c. An explanation (including calculations) of the expected usable life of the facility.	Engineer Review Letter
	d. Information and calculations showing how the facility will be protected from any reasonably anticipated natural event such as aufeis, floods, earthquakes, thawing of unstable permafrost, and the effects of freezing and thawing.	Attachments 4 and 5
	e. If located on permafrost, documentation showing that the permafrost will remain frozen to the greatest extent practical, including relevant modeling and literature or case studies.	Not Applicable
	f. If located in an unstable area, attach information and calculations for engineering measures to ensure the integrity of the structural components will be protected.	Not Applicable
	g. If located in a seismic impact zone, attach documentation showing how the requirements of 18 AAC 60.320(a)(1) and (2) will be met.	Not Applicable
6.	<b>Facility Closure Drawings</b> [18 AAC 60.210; 18 AAC 60.490]	
	a. <b>Conceptual drawings</b> of the facility after closure is completed.	Figure 3

## Section 8. Operations Plan

The operations plan should be a separate document that provides sufficient detail and information that the operator could use it to perform all necessary tasks for day-to-day operation of the facility.

The operations plan is a flexible document that should be reviewed annually and updated as necessary. The following table represents the minimum requirements which must be included. Additional information should be added, as needed, to ensure the facility operates in compliance with all applicable State and Federal and Local Regulations. A copy of the operations plan must be kept at the operating facility.

Please include a reference page and section of the Operations Plan where each item is addressed.

1.	<b>Access control</b> [18 AAC 60.210; 18 AAC 60.220]	<b>page/section</b>
	a. Access to the facility will be controlled, including gates, fences, berms or other means of preventing access; hours of operation; signage; and other control measures.	Page 1
	b. Access and onsite roads for facility will be kept passable and safe for vehicles during operating months.	Page 1
	c. Prohibited activities, such as target practice or off road vehicle use will be prevented.	Page 1
	d. Salvaging practices, if allowed, will not interfere with facility operations, create a safety hazard, or cause pollution.	Page 1
2.	<b>Waste acceptance and handling policy</b> [18 AAC 60.210; 18 AAC 60.240; 18 AAC 60.420]	
	a. Waste screening procedures to ensure that no prohibited wastes are accepted at the facility.	Page 2
	b. Any signage placed at the facility entrance.	Page 2
	c. Any waste processing procedures that will be applied prior to disposal.	Page 2
3.	<b>Waste placement plan</b> [18 AAC 60.210; 18 AAC 60.225]	
	a. Waste placement methods.	Page 2
	b. The planned progression of the working face, including facility development over the life of the facility (diagrams are acceptable).	Page 3
	c. How unstable slopes will be avoided.	Page 3
4.	<b>Waste cover plan</b> - Type of cover material(s) that will be used and for each type of cover describe: [18 AAC 60.210; 18 AAC 60.420]	
	a. Where the cover material will be obtained and stored	Page 3
	b. The frequency with which the cover will be applied to control litter, odor, and nuisances.	Page 3
	c. The depth of cover that will be applied	Page 3
5.	<b>Non-RACM waste placement plan</b> [18 AAC 60.210; 18 AAC 60.450]	
	a. Procedures for identifying any RACM or non-RACM in the waste, including any required paperwork (building survey, sampling report).	Page 4
	b. How non-RACM will be inspected while still in the container to ensure it has not been crushed or crumbled to cause possible release of fibers, rendering it RACM.	Page 4
	c. Waste placement methods to ensure non-RACM will not become friable during handling or placement, including no compaction until the non-RACM has been completely covered with at least 6 inches of cover.	Page 4
	d. Placement, frequency and type of cover material. NOTE: Non-RACM must be covered within 24 hours of placement.	Page 4

Section 8. Operations Plan (continued)		
6.	<b>Surface &amp; Storm Water Control Plan</b> [18 AAC 60.225]	
	a. Describe how run-off from the facility will be controlled and monitored to ensure that all waste and leachate remains onsite and does not pollute any surface water.	Page 4
	b. Describe how run on water will be controlled to reduce production of leachate.	Page 4
7.	<b>Litter, vector and nuisance control plan</b> [18 AAC 60.210; 18 AAC 60.230; AS 46.06.080]	
	a. Describe procedures to ensure wildlife and domestic animals do not endanger the public or facility staff, are not harmed by contact with the waste, and do not become a nuisance.	Page 4
	b. Explain how dust, noise, traffic, litter, disease vectors and other effects will be controlled so they do not become a nuisance or hazard outside of the facility boundary.	Page 4
8.	<b>Corrective action plan</b> – Describe the actions for: [18 AAC 60.210; 18 AAC 60.800]	
	a. Cleaning up any improper or unauthorized waste.	Page 5
	b. Repairing any damage to the facility or structures.	Page 5
	c. Addressing any violations of regulations or permit conditions.	Page 5
	d. Responding to combustion or a fire within the waste.	Page 5
9.	<b>Operator training</b> [18 AAC 60.235; 18 AAC 60.240]	
	a. Identify any training that will be required for an operator, including on-the-job training.	Page 5
	b. Describe how that training will be documented and filed in the operating record.	Page 5
10.	<b>Operating record</b> [18 AAC 60.235, 18 AAC 60.240; 18 AAC 60.450]	
	a. The operating record include all the elements listed in 18 AAC 60.235, as well as any other documentation specific to the facility and operation.	Page 5
	b. The plan must state where the operating record will be located.	Page 5



**Section 9: Monitoring Plan**

The monitoring plan must include sufficient detail to allow all monitoring to be completed in full compliance with the applicable regulations and permit conditions. It must include the following information and a statement for each monitoring type that explains why the monitoring is being performed:

1.	<b>Visual monitoring plan</b> [18 AAC 60.210; 18 AAC 60.800]	page/section
	a. Description of the procedures for visual monitoring of the facility.	Page 1
	b. Checklist or visual monitoring form including all applicable items in 18 AAC 60.800(a).	Page 3
2.	<b>Surface water monitoring plan</b> (if required by ADEC) [18 AAC 60.210; 18 AAC 60.810]	
	a. Information about topography and surface water flow at the facility.	Page 1
	b. A detailed map showing permanent sampling site locations and surface water flow direction.	Not Applicable
	c. Identification of and information about background and compliance sampling sites, including an explanation of why each site was chosen.	Not Applicable
	d. Specific information about sampling frequency and schedules.	Not Applicable
	e. A list of constituents for which samples will be analyzed.	Not Applicable
	f. Detailed monitoring procedures as outlined in 18 AAC 60.810(e).	Not Applicable
	g. A Quality Assurance and Quality Control Plan providing specific details about sampling and testing methodology.	Not Applicable
	h. A statement that monitoring reports will be submitted to ADEC within 90 days of the sampling event or by the date(s) stipulated in the permit.	Not Applicable
3.	<b>Groundwater monitoring plan</b> (if required by ADEC) [18 AAC 60.210; 18 AAC 60.217; 18 AAC 60.820-860]	
	a. Information about groundwater hydrology at the facility including depth to groundwater, direction and velocity of flow, with supporting documentation.	Pg 2 Monitoring plan, Att. 1
	b. A detailed map showing well locations and groundwater flow direction and rate.	Not Applicable
	c. Well drilling logs, soil boring logs and well installation information for all background and compliance wells.	Not Applicable
	d. An explanation of how each groundwater monitoring well location was selected, including documentation such as geophysical reports, survey data or maps and any other data used to evaluate subsurface conditions at the facility and to determine monitoring well placement.	Not Applicable
	e. Specific information about sampling frequency and schedules.	Not Applicable
	f. A list of constituents for which samples must be analyzed.	Not Applicable
	g. Information about statistical methods that will be used in statistical analysis of the analytical data.	Not Applicable
	h. A Quality Assurance and Quality Control Plan providing specific details about sampling and testing methodology.	Not Applicable
	i. A statement that monitoring reports will be submitted to ADEC within 90 days of the sampling event or by the date(s) stipulated in the permit, and the reports will comply with the Groundwater Monitoring Checklist on the ADEC website.	Not Applicable
4.	<b>Other Required Monitoring Plan</b> [18 AAC 60.215]	
	For any other monitoring required by ADEC at the facility, include a plan that provides specific information on the process, procedures, equipment, and quality assurance procedures required for the monitoring process.	Not Applicable

### Section 10. Closure Plan and Cost Estimate

It is understood that the closure plan submitted with the permit application will be conceptual and may change throughout the active life of the facility. If the facility is within 1 year of closure, a detailed closure plan must be submitted and approved by ADEC. The conceptual closure plan must include the following information.

1.	<b>Description of the closure process</b> [18 AAC 60.210; 18 AAC 60.245; 18 AAC 60.460; 18 AAC 60.490]	Section or Attachment
	a. A description of the final cover and appearance of the facility meeting the standards of 18 AAC 60.460(e).	Attachment 6
	b. A description of the methods and procedures for final cover installation.	Attachment 6
	c. A timeline or schedule for all activities needed to complete closure.	Attachment 6
	d. A description of the anticipated post closure (future) use of the property.	Attachment 6
	e. A description and map of proposed survey monuments or permanent markers.	Attachment 6
	f. A statement of how ADEC will be notified that the requirements of 18 AAC 60.490 have been met.	Attachment 6
	g. A description of how the post-closure care requirements of 18 AAC 60.490(c) will be met and when a post-closure care plan will be submitted to ADEC for approval.	Attachment 6
	2. <b>Financial information</b> [18 AAC 60.210; 18 AAC 60.265]	
	<b>A Facility Closure/Post-Closure Cost Estimate Worksheet</b> in Excel is available online at <a href="https://www.deq.virginia.gov/home/showpublisheddocument/2525">https://www.deq.virginia.gov/home/showpublisheddocument/2525</a> to assist you in calculating costs. Please note that you need to complete both tabs (CEW-01 and CEW-02), but only sections relevant to closure of your facility. <i>Courtesy of the State of Virginia</i>	
	a. The total present-day equivalent cost estimate for an independent contractor (do not assume onsite use of any material or machinery) to close the facility. A quote from a consultant or calculation showing all relevant operations for closure is required.	Attachment 6
	b. The total present-day equivalent cost estimate for an independent contractor to perform post-closure care of the facility.	Attachment 6
	c. Demonstration of the mechanism of financial responsibility to cover the cost of closing the facility and post-closure care. Proof of financial responsibility may be demonstrated by self-insurance, insurance, or other guarantee approved by ADEC.	Attachment 6

### Section 11. Waiver Requests and Justification

18 AAC 60.900 allows ADEC to grant a waiver from a regulation not required by federal law. The applicant will be billed separately for time spent reviewing waiver requests at the rate in 18 AAC 60.700(e).

1.	<b>Waiver requests must</b> include the specific regulation for which you are requesting a waiver, and for each requested waiver, a detailed justification that meets the criteria of 18 AAC 60.900 by demonstrating that: [18 AAC 60.210]	
	a. The proposed alternative action will provide equal or better environmental protection, reduction in public health risk, and control of nuisance factors than compliance with the identified provision; or	
	b. Compliance with the identified provision would cost significantly more than the value of the environmental benefit, public health risk reduction, and nuisance avoidance that could be achieved through that compliance.	

### Additional information

Attach any additional information necessary to accurately reflect the location, construction, and operations of the facility.

# Inert Waste Landfill Permit Application

## Palmer Reclamation Site

550 Rebarcheck Ave., Palmer, Alaska 99654

## Table of Contents

### Permit Application

Attachment 1 – Sectional specific application information

Shannon & Wilson, Inc. 2003 Permit application letter describing hydrogeology

ADNR WELTS Mapper showing wells within ½ mile of property.

Alaska State Fair Well Log ID 83862

FEMA Map showing property area

Attachment 2 – Deed of Trust

Attachment 3 – USACE Wetlands Jurisdictional Determination

NWI Wetlands Mapper showing property area

Attachment 4 – Operations Plan

Attachment 5 – Monitoring Plan

Attachment 6 – Closure Plan and Cost Estimate

Attachment 7 – Updated City of Palmer Conditional Use Permit and Rezoning Ordinance and attachments

Attachment 8 – SWPPP No exposure/applicability determination

Attachment 9 – ADEC 2017 approval letter with 2015 proposed expansion site map

Letter describing well setback change

2023 and 2022 PRS As-built surveys showing well setback change

Figures – 2024 Maps and facility diagrams

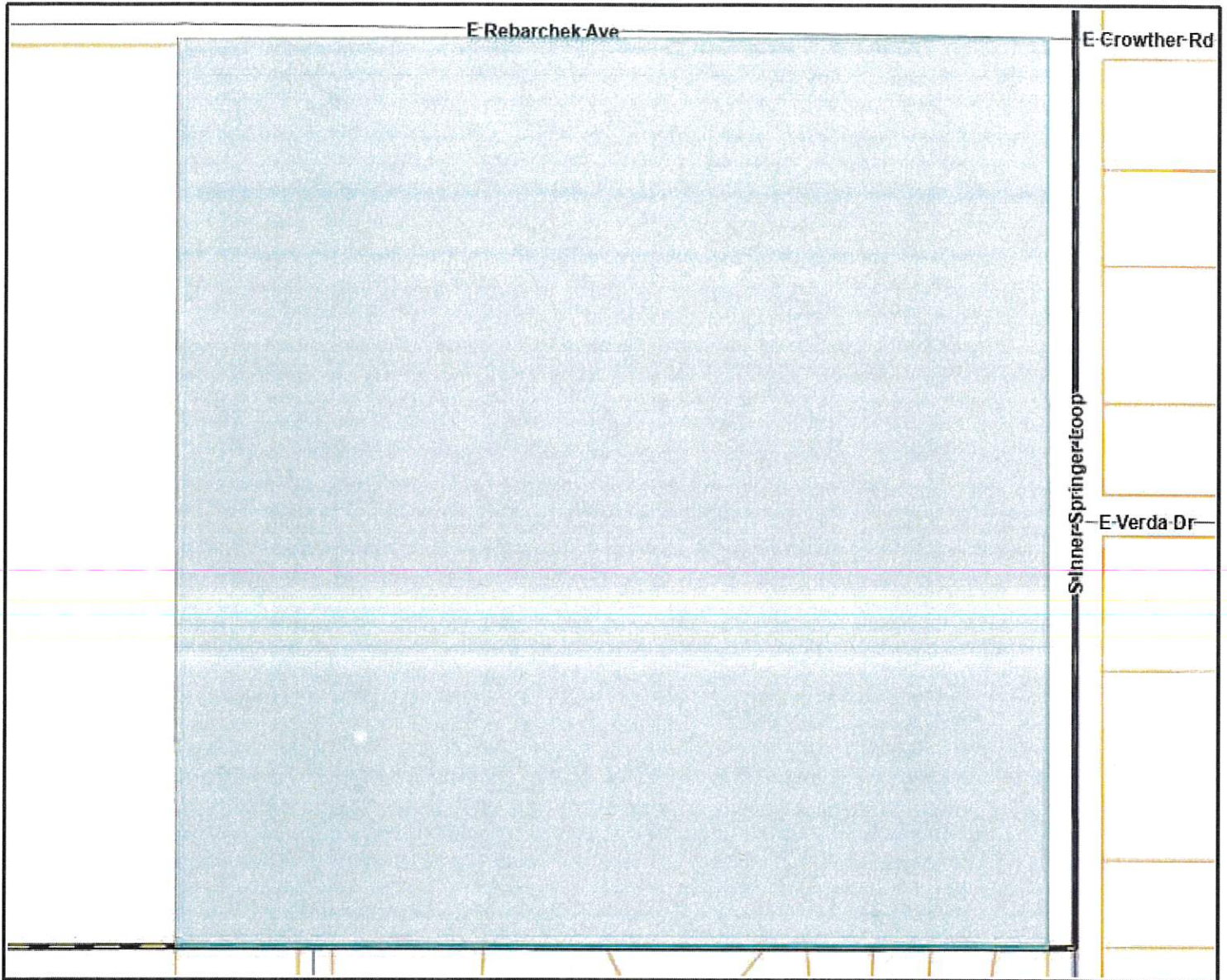
2019 Maps and facility diagrams (From 2019 permit application)

# Attachment 1

---



# Matanuska-Susitna Borough Land Information Parcel Report



Selected parcel highlighted

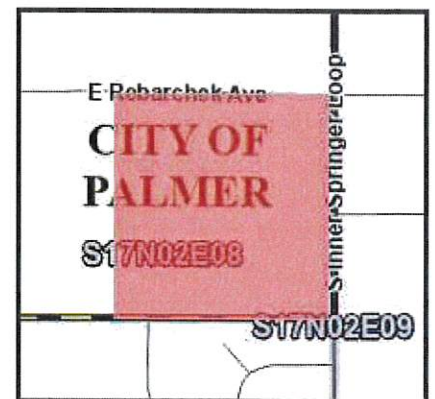
**Account ID:** 17N02E08D008

**Owner(s):** ALASKA DEMOLITION LLC

**General Owner:** PRIVATE

**Legal Description:** TOWNSHIP 17N RANGE 2E

SECTION 8 LOT D8



Parcel location within Matanuska-Susitna Borough

ACCOUNT NO. 17N02E08D008

TOWNSHIP 17N RANGE 2E SECTION 8 MERIDIAN 5M

MAP PA12

NE $\frac{1}{4}$  SE $\frac{1}{4}$ ,

excepting therefrom the  
Easterly 40 feet conveyed  
to the State of Alaska per  
Warranty Deed BK 49 Pg 118,  
12-27-63.

17N02E08 10008

BOOK-PAGE	GRANTOR	DOCUMENT TYPE AND	PROCESS
REC. DATE	GRANTEE	DESCRIPTION	DATE
52-190	Raymond & Jean Mary Rebarchek (H-W)	WDTF (TRACT 53)	
5-26-64	Raymond & Jean Mary Rebarchek (H-W)	NE 1/4 SE 1/4	
1156-881	RONALD E REBARCHEK TRS REP EST of Raymond REBARCHEK TRS REP DEED		12-7-01
8-17-01	ALASKA STATE FAIR INC	D8, D10	
2004-00923	20 Alaska State Fair Inc.	WD	
4-9-04	Alaska Demolition LLC	D8	7-19-04

ACRES	GROSS ACREAGE FROM	PARCEL HISTORY AND STATUS
	DEED BK _____ PG	D8 from D1 (Remainder Waiver 2001-129)
	PLAT	
	WAIVER	
	COMPUTED	
40	OTHER legal desc	

ACRES	ADJUSTMENTS FOR ACCESS EASEMENTS, RIGHTS OF WAY, ETC.	TAXABLE ACREAGE
1.21	Inner Springer Loop (E 40') (40' x 1320') (WD TO SOA: 49/118, 12-27-63) 7104	38.79

October 29, 2003

Alaska Department of Environmental Conservation  
555 Cordova Street  
Anchorage, AK 99501

Attn: Mr. Bob Blankenburg

Fax: (907) 269-7649

**RE: INERT WASTE LANDFILL PERMIT APPLICATION, REBARCHEK FARM,  
PALMER, ALASKA**

On behalf of our client, Alaska Demolition LLC, we are submitting the attached inert waste landfill permit application. The application was completed in accordance with the Alaska Department of Environmental Conservation's (ADEC) *Application for an Inert Waste Landfill Permit* guidance, and other applicable requirements of the Solid Waste Management regulations specified in 18 AAC 60.

### Site Description

The legal description of the subject property is the North ½ of the Southeast ¼, Section 8, Township 17 North, Range 2 East, Seward Meridian. The 40-acre subject property is located immediately southeast of the Alaska State Fairgrounds, about 1.5 miles south of downtown Palmer, Alaska, as shown in Figure 1. The existing excavation located on the subject property covers approximately 13.5 acres, with portions of the excavation extending up to 60 feet below the natural grade of the subject and surrounding properties. An aerial photograph of the subject property is shown in Figure 2. The regional topography is mostly level, with a gradual slope to the south.

### Proposed Facility Overview

Alaska Demolition proposes to construct an inert waste landfill within an exhausted gravel pit located in Palmer, Alaska. The landfill will be used exclusively for the disposal of inert construction and demolition (C&D) waste. At completion, the landfill will contain approximately 750,000 cubic yards of inert C&D waste. The landfill surface will be brought to grade with the surrounding properties, restoring the area's natural topography and improving the subject property's aesthetics. The landfill will be constructed to eliminate the hazards associated with the existing open excavation, and to create new options for future site use. Additionally, as part of the landfill construction project, the existing storm and snowmelt water drainage system proximate to the proposed landfill will be redesigned to provide improved environmental protection. We do not anticipate requesting regulatory waivers from the ADEC, although it is assumed that the proposed facility is exempt from the solid waste management plan requirements of 18 AAC 60.205 and the groundwater monitoring requirements of 18 AAC 60.820.



C&D Landfill Permit Application, Palmer, Alaska  
October 29, 2003  
Page 2

Alaska Demolition has experience operating landfills in accordance with good landfill operation practices and the requirements of the Alaska Department of Environmental Conservation (ADEC) and the Alaska Department of Public Works. Alaska Demolition has operated landfills located in Bear Valley and Ft. Wainwright, Alaska.

### Site Climate & Geology

The average temperatures in Palmer range from 4 to 21 degrees Fahrenheit in January and from 44 to 67 degrees Fahrenheit in July. Average annual precipitation is 16.5 inches, with about 50 inches of snowfall. The nearest lake or surface water body is McLeod Lake, located about 1 mile southwest of the subject property. Matanuska River is the closest creek or river to the site, and is located about 1.7 miles east of the subject property at its closest point.

Palmer is located within the Matanuska Valley, which is characterized by multiple glacial advances and retreats over time. Accordingly, the sediments in the vicinity of the project area consist of well-graded, dense glacial tills. United States Geological Survey (USGS) investigations conducted in the general area indicate that the glacial till may extend up to 300 feet below the ground surface (bgs) at the project location. The Matanuska Formation, located within the valley below the glacial till, consists of a sequence of complexly interbedded dark marine siltstone, sandstone, minor conglomerates, and claystone. Conglomerate and coal seams are also found within the Matanuska Formation. The nearest earthquake fault is the Border Ranges Fault, located about 7 miles southeast of the site at its closest point.

Based on the soil observed in the sidewalls of the subject gravel pit, the subsurface materials at the site consist of about 5 to 10 feet of sandy silt overlying slightly silty, sandy gravel with cobbles. Drilling logs for water wells installed in the project vicinity indicate that the sandy gravel material likely extends over 125 feet bgs.

### Groundwater Hydrogeology

The regional water table in the vicinity of the subject site reportedly trends from the north to the south, according to a groundwater study performed by the State of Alaska Department of Natural Resources, et al. However, the study also stated that localized groundwater flow directions may vary from the regional groundwater flow direction.

The groundwater level in the immediate project site vicinity is estimated using an abandoned water well located about 350 feet west of the gravel pit. An August 2003 groundwater measurement from this well indicated a groundwater elevation of 94.8 feet above mean sea level. Based on surveyed elevations, the lowest point of the excavation is located about 121 feet above sea level. Therefore, there was an approximately 26-foot separation between the excavation base and underlying groundwater in August 2003.

Historical groundwater records were also obtained for a USGS water well located about 0.25 mile southeast of the proposed landfill. Groundwater level measurements collected from this well between 1950 and 1992 generally fluctuated within a 4-foot range, with a maximum 8-foot variance (4 feet below average low groundwater) observed once during the subject 43-year monitoring period. Based on geologic and groundwater studies conducted in the Palmer area, the USGS water quality well is likely installed within the same aquifer as the aquifer underlying the subject property. Given the current groundwater level in the "on-site well" and the 8-foot groundwater level variance observed in the USGS well, a conservative estimate of the highest groundwater level that might be expected beneath the excavation is about 103 feet above mean sea level. At this elevation, there would be an 18-foot separation between the excavation base and groundwater, which is nearly twice the minimum 10-foot separation required per 18 AAC 60.217. A profile view of the landfill showing the current and estimated high groundwater levels is shown in Figure 3.

### Regulatory Compliance

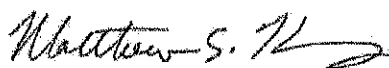
Based on our discussions with our client, Alaska Demolition is aware of the applicable local ordinances and zoning requirements, including those specified in AS 46.40, 6 AAC 50 (Alaska Coastal Management Program), and 18 AAC 60. Because the proposed landfill location is within the Alaska Coastal Zone, a Coastal Project Questionnaire (CPQ) has been completed and is included with this permit application. In accordance with the CPQ instructions, a permit is only required by one State agency (ADEC) and no federal agencies; therefore, the attached CPQ will not be submitted to the Mat-Su Borough Office of Project Management and Permitting, but will be submitted to the ADEC.

### Engineer's Review

In accordance with 18 AAC 60.210(c), this letter and application package have been reviewed by a registered engineer licensed in the State of Alaska. By the signature below, I attest that the enclosed drawings, plans, and documents were prepared in accordance with applicable requirements of 18 AAC 60.210; that the volume calculations presented in Section 8 of the application were conducted in accordance with good engineering practice; and that the landfill closure plan was conducted in accordance with ADEC guidance. If you have questions or comments regarding the attached application, please contact the undersigned at (907) 561-2120.

Sincerely,

SHANNON & WILSON, INC.



Matthew S. Henry, P.E.  
Senior Associate



C&D Landfill Permit Application, Palmer, Alaska  
October 29, 2003  
Page 4

SHANNON & WILSON, INC.

Enc: ADEC Landfill Permit Application, Sections 2 through 11  
Figures 1 through 3  
Coastal Project Questionnaire and Certification Statement  
September 11, 2003, USACE Wetlands Jurisdictional Determination

# 550 Rebarcheck Avenue and Surrounding Water Wells

Well Locations obtained from ADNR Well Log Tracking System

Area within approximately 1/2 mile of PRS

Palmer Reclamation Site (PRS) Property

E Rebarcheck Ave

## LEGEND



WELL LOCATIONS AS SHOWN ON ADNR WELLS MAPPER

NOTE: ADNR WELLS MAPPER IDENTIFIED WELL LOCATIONS MAY NOT BE CORRECT





83862

**STATE OF ALASKA**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION OF MINING, LAND & WATER**  
**Alaska Hydrologic Survey**

**WATER WELL LOG** Revised 08/18/2016

Drilling Started: \_\_\_/\_\_\_/\_\_\_ Completed: 11 / 5 / 1978 Pump Install: \_\_\_/\_\_\_/\_\_\_

City/Borough	Subdivision	Block	Lot	Property Owner Name & Address
Matanuska-Susitna Borough	ALASKA STATE FAIR 2010		1	Alaska State Fair ,

**Well location: Latitude** 61.57648004605974 **Longitude** -149.13060665130615  
 Meridian S Township 017N Range 002E Section 08 , SE 1/4 of NW 1/4 of NW 1/4 of SE 1/4

**BOREHOLE DATA:** (from ground surface)  
 Suggest T.M. Hanna's hydrogeologic classification system\*  
[https://my.ngwa.org/NC\\_Product?id=a18500000BYub3AAD](https://my.ngwa.org/NC_Product?id=a18500000BYub3AAD)

	Depth	
	From	To
topsoil	0	3
gravel	3	14
gravel and clay - gray	14	27
gravel and clay brown	27	83
gravel fine brown sand and water	83	94
gravel and water	94	100

Drilling method:  Air rotary,  Cable tool,  Other \_\_\_\_\_  
 Well use:  Public supply,  Domestic,  Reinjection,  Hydrofracking  
 Commercial,  Observation/Monitoring,  Test/Exploratory,  Cooling,  
 Irrigation/Agriculture,  Grounding,  Recharge/Aquifer Storage,  
 Heating,  Geothermal Exploration,  Other \_\_\_\_\_  
 Fluids used: \_\_\_\_\_  
 Depth of hole: 100 ft Casing stickup: \_\_\_\_\_ ft  
 Casing type: \_\_\_\_\_ Casing thickness: \_\_\_\_\_ inches  
 Casing diameter: 6 inches Casing depth: 100 ft  
 Liner type: \_\_\_\_\_ Depth: \_\_\_\_\_ ft Diameter: \_\_\_\_\_ inches  
 Note: \_\_\_\_\_  
 Well intake opening type:  Open end,  Open hole,  Other open end  
 Screen type: \_\_\_\_\_, Screen mesh size: \_\_\_\_\_  
 Screen start: \_\_\_\_\_ ft, Screen stop: \_\_\_\_\_ ft, Perforated  Yes  No  
 Perforation description: \_\_\_\_\_ Perf from: \_\_\_\_\_ ft, Perf to: \_\_\_\_\_ ft, Perf from: \_\_\_\_\_ ft, Perf to: \_\_\_\_\_ ft  
 Gravel packed  Yes  No Gravel start: \_\_\_\_\_ ft, Gravel stop: \_\_\_\_\_ ft  
 Note: \_\_\_\_\_  
 Static water (from top of casing): 86 ft on \_\_\_/\_\_\_/\_\_\_ Artesian well   
 Pumping level & yield: \_\_\_\_\_ feet after \_\_\_\_\_ hours at 1.5 gpm  
 Method of testing: \_\_\_\_\_  
 Development method: \_\_\_\_\_ Duration: \_\_\_\_\_  
 Recovery rate: \_\_\_\_\_ gpm  
 Grout type: \_\_\_\_\_ Volume \_\_\_\_\_  
 Depth: From \_\_\_\_\_ ft, To \_\_\_\_\_ ft

Include description or sketch of well location (include road names, buildings, etc.):

Final pump intake depth: \_\_\_\_\_ ft Model: \_\_\_\_\_  
 Pump size: \_\_\_\_\_ hp Brand name: \_\_\_\_\_  
 Was well disinfected upon completion?  Yes  No  
 Method of disinfection: \_\_\_\_\_  
 Was water quality tested?  Yes  No  
 Water quality parameters tested: \_\_\_\_\_

Well driller name: \_\_\_\_\_  
 Company name: LAND M DRILLING CO  
 Mailing address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: AK Zip: \_\_\_\_\_  
 Phone number: (\_\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_  
 Driller's signature: \_\_\_\_\_  
 Date: \_\_\_/\_\_\_/\_\_\_

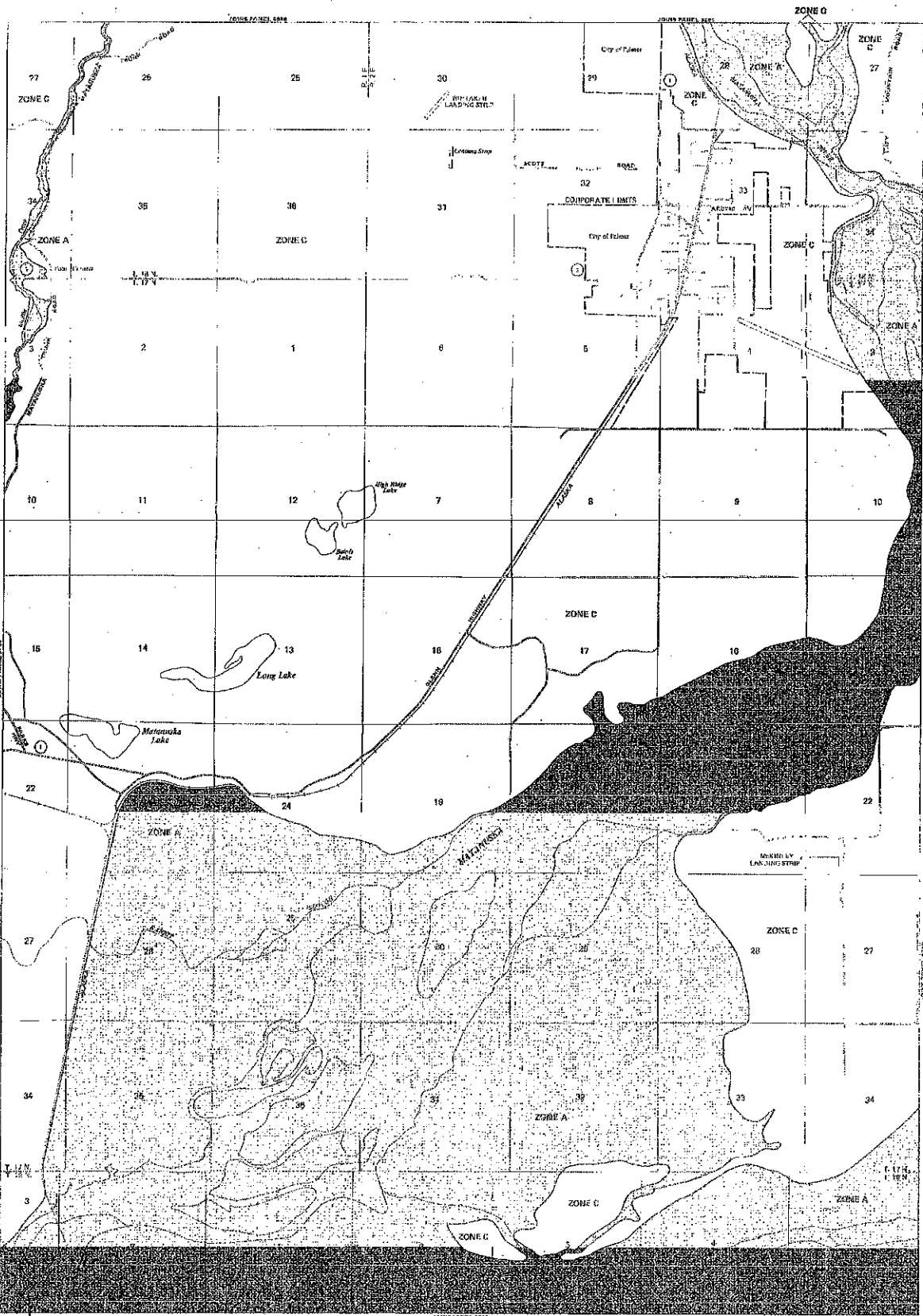
Anchorage Municipal Code 15.55.060(I) and North Pole Ordinance 13.32.030(D) require that a copy of this well log be submitted to the Development Services Department/City within **30 days of well completion**.

City Permit Number: \_\_\_\_\_  
 Date of Issue: \_\_\_/\_\_\_/\_\_\_  
 Parcel Identification Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

AS 41.08.020(b)(4) and AAC 11 AAC 93.140(a) require that a copy of the well log be submitted to the Department of Natural Resources within **45 days of well completion**. Well logs may be submitted using the online well log reporting system available at:  
<https://dnr.alaska.gov/welts/>  
 OR email electronic well logs to  
[dnr.water.reports@alaska.gov](mailto:dnr.water.reports@alaska.gov)

\*Guide for Using the Hydrogeologic Classification System for Logging Water Well Boreholes by Thomas M. Hanna NGWA Press





**KEY TO MAP**

500-Year Flood Boundary: [Symbol]

100-Year Flood Boundary: [Symbol]

Zone Designations: [Symbol]

Zone A: [Symbol]

Zone B: [Symbol]

Zone C: [Symbol]

Zone D: [Symbol]

Scale: 1 inch = 1 mile

North Arrow: [Symbol]

Source: Federal Emergency Management Agency

**EXPLANATION OF ZONE DESIGNATIONS**

**ZONE A**

A Area of 100-year flood plain that contains the flood hazard boundary and other areas.

AG Area of 100-year flood plain that contains the flood hazard boundary and other areas.

AH Area of 100-year flood plain that contains the flood hazard boundary and other areas.

AH 200 Area of 100-year flood plain that contains the flood hazard boundary and other areas.

AH 200 Area of 100-year flood plain that contains the flood hazard boundary and other areas.

AH 200 Area of 100-year flood plain that contains the flood hazard boundary and other areas.

AH 200 Area of 100-year flood plain that contains the flood hazard boundary and other areas.

AH 200 Area of 100-year flood plain that contains the flood hazard boundary and other areas.

**NOTES TO USER**

Certain areas not in the special flood hazard zones (Zones A and D) may be protected by flood control structures.

This map is for flood insurance purposes only. It does not constitute any other type of insurance. It is not intended to be used as a basis for any other type of insurance.

For additional map details, see necessary printed index to Map Panel.

**INITIAL IDENTIFICATION:**  
FEBRUARY 28, 1978

**FLOOD HAZARD BOUNDARY MAP REVISIONS:**  
OCTOBER 4, 1978

**FLOOD INSURANCE RATE MAP EFFECTIVE:**  
MAY 1, 1980

**FLOOD INSURANCE RATE MAP REVISIONS:**  
Map revised June 3, 1988 to show flood zone boundaries, zone designations, zone flood insurance, corporate limits, scale, contour features, or map details.

To determine if flood insurance is available in this community, contact your insurance agent, or the National Flood Insurance Program, at 1-800-358-3333.

Scale: 1 inch = 1 mile

**NATIONAL FLOOD INSURANCE PROGRAM**

**FIRM**

**FLOOD INSURANCE RATE MAP**

**MATANUSKA-SUSITNA BOROUGH, ALASKA**

**MATANUSKA-SUSITNA DIVISION**

**PANEL 0726 OF 0255**

**COMMUNITY-PANEL NUMBER 020021 0726 D**

**MAP REVISED: JUNE 3, 1988**

Federal Emergency Management Agency

# Attachment 2



**RECORDATION**

**REQUESTED BY:**

**NORTHRIM BANK**

**Midtown Financial**

**Center**

**3111 C Street**

**P.O. Box 241489**

**Anchorage, AK**

**99524-1489**

**WHEN RECORDED MAIL**

**TO:**

**NORTHRIM BANK**

**Loan Support**

**Services**

**P. O. Box 241489**

**ANCHORAGE, AK**

**99524-1489**

**FOR RECORDER'S USE ONLY**

**DEED OF TRUST**

**THIS DEED OF TRUST is dated April 7, 2004, among Alaska Demolition, LLC, whose address is 2903 Tanglewood Dr., Anchorage, AK 99517 ("Grantor"); NORTHRIM BANK, whose address is Midtown Financial Center, 3111 C Street, P.O. Box 241489, Anchorage, AK 99524-1489 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and Mat-Su Title Ins. Agency, Inc., whose address is 951 E. Bogard Road, #100, Wasilla, AK 99654 (referred to below as "Trustee").**

**CONVEYANCE AND GRANT.** For valuable consideration, Grantor conveys to Trustee in trust, with power of sale, for the benefit of Lender as Beneficiary, all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected, or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, and ditch rights, (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal, and similar matters, (the "Real Property") located in the Palmer Recording District, Third Judicial District, the State of Alaska:

**The Northeast one-quarter of the Southeast one-quarter (NE 1/4 SE 1/4), Section 8, Township 17 North, Range 2 East, Seward Meridian, located in the Palmer Recording District, Third Judicial District, State of Alaska, EXCEPTING THEREFROM that portion conveyed to the State of Alaska by deed recorded December 27, 1963 in book 49 at Page 118.**

**The Real Property or its address is commonly known as Palmer, AK.**

Grantor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property as security for the Indebtedness. In addition to this assignment under common law, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

**THIS DEED OF TRUST INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:**

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Deed of Trust, Grantor

**DEED OF TRUST  
(Continued)**

Loan No: 7100387203

Page 2

shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note, this Deed of Trust, and the Related Documents.

**POSSESSION AND MAINTENANCE OF THE PROPERTY.** Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

**Possession and Use.** Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property (this privilege is a license from Lender to Grantor automatically revoked upon default).

**Duty to Maintain.** Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

**Compliance With Environmental Laws.** Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe, that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

**Nuisance, Waste.** Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

**Removal of Improvements.** Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

**Lender's Right to Enter.** Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

**Compliance with Governmental Requirements.** Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance,

**DEED OF TRUST  
(Continued)**

Loan No: 7100387203

Page 3

or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

**Duty to Protect.** Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

**DUE ON SALE - CONSENT BY LENDER.** Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, community property agreement or community property trust, or other trust, leasehold interest with a term greater than three (3) years, lease option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Alaska law.

**TAXES AND LIENS.** The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

**Payment.** Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

**Right to Contest.** Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and reasonable attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

**Evidence of Payment.** Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

**Notice of Construction.** Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds \$5,000.00. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

**PROPERTY DAMAGE INSURANCE.** The following provisions relating to insuring the Property are a part of this Deed of Trust.

**Maintenance of Insurance.** Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a cash basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage

**DEED OF TRUST  
(Continued)**

Loan No: 7100387203

Page 4

amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

**Application of Proceeds.** Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$5,000.00. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

**Grantor's Report on Insurance.** Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

**TAX AND INSURANCE RESERVES.** Subject to any limitations set by applicable law, Lender may require Grantor to maintain with Lender reserves for payment of annual taxes, assessments, and insurance premiums, which reserves shall be created by advance payment or monthly payments of a sum estimated by Lender to be sufficient to produce amounts at least equal to the taxes, assessments, and insurance premiums to be paid. The reserve funds shall be held by Lender as a general deposit from Grantor, which Lender may satisfy by payment of the taxes, assessments, and insurance premiums required to be paid by Grantor as they become due. Lender shall have the right to draw upon the reserve funds to pay such items, and Lender shall not be required to determine the validity or accuracy of any item before paying it. Nothing in the Deed of Trust shall be construed as requiring Lender to advance other monies for such purposes, and Lender shall not incur any liability for anything it may do or omit to do with respect to the reserve account. Subject to any limitations set by applicable law, if the reserve funds disclose a shortage or deficiency, Grantor shall pay such shortage or deficiency as required by Lender. All amounts in the reserve account are hereby pledged to further secure the indebtedness, and Lender is hereby authorized to withdraw and apply such amounts on the indebtedness upon the occurrence of an Event of Default. Lender shall not be required to pay any interest or earnings on the reserve funds unless required by law or agreed to by Lender in writing. Lender does not hold the reserve funds in trust for Grantor, and Lender is not Grantor's agent for payment of the taxes and assessments required to be paid by Grantor.

**LENDER'S EXPENDITURES.** If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's failure to

**DEED OF TRUST  
(Continued)**

Loan No: 7100387293

Page 5

discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note unless payment of interest at that rate would be contrary to applicable law, in which event such expenses shall bear interest at the highest rate permitted by applicable law from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand, (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy, or (2) the remaining term of the Note, or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

**WARRANTY; DEFENSE OF TITLE.** The following provisions relating to ownership of the Property are a part of this Deed of Trust:

**Title.** Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

**Defense of Title.** Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

**Compliance With Laws.** Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

**Survival of Representations and Warranties.** All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's indebtedness shall be paid in full.

**CONDEMNATION.** The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

**Proceedings.** If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, all at Grantor's expense, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

**Application of Net Proceeds.** If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

**IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES.** The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

**Current Taxes, Fees and Charges.** Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse

**DEED OF TRUST**

Loan No: 7100387203

(Continued)

Page 6

Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

**Taxes.** The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the indebtedness secured by this Deed of Trust; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Grantor.

**Subsequent Taxes.** If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

**SECURITY AGREEMENT; FINANCING STATEMENTS.** The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

**Security Agreement.** This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

**Security Interest.** Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Real and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

**Addresses.** The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

**FURTHER ASSURANCES; ATTORNEY-IN-FACT.** The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

**Further Assurances.** At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

**Attorney-in-Fact.** If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

**FULL PERFORMANCE.** If Grantor pays all the indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor

**DEED OF TRUST  
(Continued)**

Loan No: 7100387203

Page 7

suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Any reconveyance fee required by law shall be paid by Grantor, if permitted by applicable law.

**EVENTS OF DEFAULT.** Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

**Payment Default.** Grantor fails to make any payment when due under the Indebtedness.

**Other Defaults.** Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

**Compliance Default.** Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

**Default on Other Payments.** Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

**Environmental Default.** Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with the Property.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Defective Collateralization.** This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Death or Insolvency.** The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Grantor's existence as a going business or the death of any member, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Breach of Other Agreement.** Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

**Adverse Change.** A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**Right to Cure.** If such a failure is curable and if Grantor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if Grantor, after Lender sends

DEED OF TRUST

Loan No: 7100387203

(Continued)

Page 8

written notice demanding cure of such failure: (a) cures the failure within fifteen (15) days; or (b) if the cure requires more than fifteen (15) days, immediately initiates steps sufficient to cure the failure and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**RIGHTS AND REMEDIES ON DEFAULT.** If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

**Election of Remedies.** Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

**Accelerate Indebtedness.** Lender shall have the right at its option without notice to Grantor to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

**Foreclosure.** With respect to all or any part of the Property, Trustee shall have the right to sell the Property pursuant to a non-judicial foreclosure sale and Trustee or Lender shall have the right to sell the Property upon judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law. If the power of sale is invoked, Trustee shall execute a written notice of the occurrence of an Event of Default and of the election to cause the Property to be sold and shall record such notice in each Recording District in which the Property or some part of the Property is located. Trustee shall mail copies of the notice of default, in the manner provided by the laws of Alaska, to Grantor and to such other persons as the laws of Alaska prescribe. Trustee shall give notice of sale and shall sell the Property according to the laws of Alaska. After the lapse of time required by law following the recordation of the notice of default, Trustee, without demand on Grantor, may sell the Property at the time and place and under the terms designated in the notice of sale, in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender's or Lender's designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser, Trustee's deed conveying the property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made in the Trustee's deed. Trustee shall apply the proceeds of the sale in the following order: (a) to all costs and expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees, and cost of title evidence; (b) to all sums secured by this Deed of Trust in such order as Lender, in Lender's sole discretion, directs; and (c) the excess, if any, to the person or persons legally entitled to the excess proceeds.

**UCC Remedies.** With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

**Collect Rents.** Lender shall have the right, without notice to Grantor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

**Appoint Receiver.** Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Tenancy at Sufferance.** If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the



**DEED OF TRUST**

Loan No.: 7100387203

(Continued)

Page 9

Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

**Other Remedies.** Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or by law.

**Notice of Sale.** Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

**Sale of the Property.** To the extent permitted by applicable law, Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved or pending, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest at the Note rate unless payment of interest at that rate would be contrary to applicable law, in which event such expenses shall bear interest at the highest rate permitted by applicable law from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

**Rights of Trustee.** Trustee shall have all of the rights and duties of Lender as set forth in this section.

**POWERS AND OBLIGATIONS OF TRUSTEE.** The following provisions relating to the powers and obligations of Trustee (pursuant to Lender's Instructions) are part of this Deed of Trust:

**Powers of Trustee.** In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

**Trustee.** Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall, upon default, have the right to sell the Property by notice and non-judicial sale, and Trustee or Lender shall have the right to sell the Property by judicial action and foreclosure sale, in either case in accordance with and to the full extent provided by applicable law.

**Successor Trustee.** Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office for the Palmer Recording District, Third Judicial District, State of Alaska. The instrument shall be executed and acknowledged by Lender or Lender's successor in interest, and shall contain, in addition to all other matters required by state law, the date this Deed of Trust was executed, the names of the original Lender, Trustee, and Grantor, the book and page where this Deed of Trust is recorded, the name and address of the successor trustee, and either an acknowledgement signed and acknowledged by the Trustee named in this Deed of Trust or a receipt of a copy of the

**DEED OF TRUST  
(Continued)**

Loan No: 7100387203

Page 10

instrument or an affidavit of service of a copy of the instrument on the Trustee. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

**NOTICES.** Unless otherwise provided by applicable law, any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Deed of Trust:

**Amendments.** This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Annual Reports.** If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

**Caption Headings.** Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

**Merger.** There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**Governing Law.** This Deed of Trust will be governed by, construed and enforced in accordance with federal law and the laws of the State of Alaska. This Deed of Trust has been accepted by Lender in the State of Alaska.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Severability.** If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

**Successors and Assigns.** Subject to any limitations stated in this Deed of Trust on transfer

**DEED OF TRUST  
(Continued)**

Loan No: 7100387203

Page 11

of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the indebtedness.

**Time Is of the Essence.** Time is of the essence in the performance of this Deed of Trust.

**Waiver of Homestead Exemption.** Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Alaska as to all indebtedness secured by this Deed of Trust.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

**Beneficiary.** The word "Beneficiary" means NORTHTRIM BANK, and its successors and assigns.

**Borrower.** The word "Borrower" means Alaska Demolition, LLC and includes all co-signers and co-makers signing the Note.

**Deed of Trust.** The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

**Default.** The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

**Grantor.** The word "Grantor" means Alaska Demolition, LLC.

**Guarantor.** The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the indebtedness.

**Guaranty.** The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

**Hazardous Substances.** The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

**Improvements.** The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

**Indebtedness.** The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under

**DEED OF TRUST  
(Continued)**

Loan No: 7100387203

Page 12

this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.  
**Lender.** The word "Lender" means NORTHTRIM BANK, its successors and assigns.

**Note.** The word "Note" means the promissory note dated April 7, 2004, in the original principal amount of \$1,283,600.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The maturity date of this Deed of Trust is April 7, 2024.

**NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

**Personal Property.** The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property, together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property, and together with all issues and profits thereon and proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

**Property.** The word "Property" means collectively the Real Property and the Personal Property.

**Real Property.** The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

**Rents.** The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

**Trustee.** The word "Trustee" means Mat-Su Title Ins. Agency, Inc., whose address is 951 E. Bogard Road, #100, Wasilla, AK 99654 and any substitute or successor trustees.

**GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND GRANTOR AGREES TO ITS TERMS.**

**GRANTOR:**

**ALASKA DEMOLITION, LLC**

By:   
**Justin T. Green, Member of Alaska Demolition, LLC**

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Alaska )  
 )  
Third ) SS  
 JUDICIAL DISTRICT )

On this 8<sup>th</sup> day of April, 20 07, before me, the undersigned Notary Public, personally appeared Justin T. Green, Member of Alaska Demolition, LLC, and known to me to be a member or designated agent of the limited liability company that executed the Deed of Trust and acknowledged the Deed of Trust to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Deed of Trust and in fact executed the Deed of Trust on behalf of the limited liability company.

By Patricia R. Livingston Residing at Wasilla  
Notary Public in and for the State of Alaska My commission expires \_\_\_\_\_



REQUEST FOR FULL RECONVEYANCE

(To be used only when obligations have been paid in full)

To: \_\_\_\_\_, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust have been fully paid and satisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to any applicable statute, to cancel the Note secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to:

Date: \_\_\_\_\_ Beneficiary: \_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_



**MAT-SU TITLE INSURANCE AGENCY, INC.**

951 East Bogard Road, Suite 100, Wasilla, Alaska 99654

Phone: (907) 376-6294 Fax: (907) 376-1237 In State Toll Free: 1(877) 377-5294

MS61001

**STATUTORY WARRANTY DEED  
A.S. 34.15.030**

The Grantor,

Alaska State Fair, Inc., an Alaska corporation, whose address is 2075 Glenn Hwy., Palmer, AK 99645, for and in consideration of Ten Dollars (\$10.00), and other good and valuable consideration in hand paid, as part of an IRC Section 1031 Tax Deferred Exchange, the receipt of which is hereby acknowledged, conveys and warrants to the Grantee,

Alaska Demolition, LLC, an Alaska limited liability company, whose address is 2903 Tanglewood Drive, Anchorage, AK 99517, the following described real property:

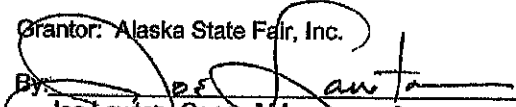
Northeast one-quarter of the Southeast one-quarter (NE 1/4 SE 1/4 )  
of Section 8, Township 17 North, Range 2 East, Seward Meridian,  
located in the Palmer Recording District, Third Judicial District, State  
of Alaska,


Excepting therefrom that portion conveyed to the State of Alaska  
by Deed recorded December 27, 1963 in Book 49 at Page 118,

Subject to reservations and exceptions in U.S. and/or State of Alaska Patents  
and in Acts authorizing the issuance thereof; easements, right-of-ways, covenants,  
conditions, reservations, notes on plat, and all other restrictions of record, if any.

Date: April 8, 2004

Grantor: Alaska State Fair, Inc.

By:   
Joe Lawton, General Manager

By:   
George Lochner, President

STATE OF ALASKA )  
THIRD JUDICIAL DISTRICT ) ss.

On April 8, 2004, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Joe Lawton and George Lochner, the General Manager and President, respectively, of Alaska State Fair, Inc., the corporation named in the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.



  
Notary Public in and for Alaska

Return to: Grantee



**MAT-SU TITLE INSURANCE AGENCY, INC.**

951 East Bogard Road, Suite 100, Wasilla, Alaska 99654

Phone: (907) 376-5294 Fax: (907) 376-1237 In State Toll Free: 1(877) 377-5294

MS58770

**STATUTORY WARRANTY DEED  
A.S. 34.15.030**

The Grantor,

Hamilton Farms, Inc., an Alaska corporation, whose address is HC 5 Box 9999, Palmer, AK 99645, for and in consideration of Ten Dollars (\$10.00), and other good and valuable consideration in hand paid, the receipt of which is hereby acknowledged, conveys and warrants to the Grantee,

Alaska State Fair, Inc., an Alaska corporation, whose address is 2075 Glenn Hwy., Palmer, AK 99645, the following described real property:

Southwest one-quarter of the Northwest one-quarter (SW ¼ NW ¼ )  
of Section 9, Township 17 North, Range 2 East, Seward Meridian,  
located in the Palmer Recording District, Third Judicial District, State  
of Alaska.

Except the Westerly 40.0 feet of said land as conveyed to the State  
of Alaska by Quitclaim Deed recorded April 8, 1964 in Book 51 at  
Page 318,

Subject to reservations and exceptions in U.S. and/or State of Alaska Patents  
and in Acts authorizing the issuance thereof; easements, right-of-ways, covenants,  
conditions, reservations, notes on plat, and all other restrictions of record, if any.

Date: April 8, 2004

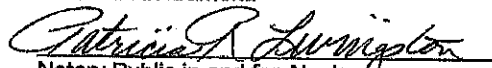
Grantor: Hamilton Farms, Inc.

By:   
Stephen K. Hamilton, President

STATE OF ALASKA                    )  
  ) ss.  
THIRD JUDICIAL DISTRICT        )

On April 8, 2004, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Stephen K. Hamilton, the President of Hamilton Farms, Inc., the corporation named in the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument.



  
Notary Public in and for Alaska

Return to: Grantee