

LEASING YOUR SITE

Applying for a Remote Recreational Cabin Site Lease

Only individuals who received a staking authorization may apply for a lease, which will be issued until a survey and appraisal are completed. After a parcel has been staked and before the staking period expires, the applicant must:

1. Complete the Application for Remote Recreational Cabin Site Lease, sign and notarize it and submit it to either the Anchorage or Fairbanks DNR Public Information Office;
2. Pay a non-refundable application fee of \$100;
3. Submit the application within 14 days after staking, but no later than the end of the staking period;
4. If an agent stakes for you, they must be noted on the lease application. You must sign the application unless your agent also has power of attorney and submits the proper documentation. An agent can be a friend or any family member such as a spouse or sibling. A friend or family member who stakes for you must be listed as an agent.

By applying for a lease, you agree to pay the quarterly deposits for the department's estimated costs to survey and appraise the parcel. You also agree to pay all fees and lease rentals, and pay the appraised market value for the parcel when purchased. Note: Payments made for the cost of the survey and platting will be credited toward the purchase price. You may not re-enter the staked parcel to begin development until the department has approved the lease application and issued the lease. Please note that this may take several months.

Lease Application Priority

The application period begins on the Monday following the day the staking period opens. The Fairbanks and Anchorage DNR Public Information Centers will both open at 10:00 a.m. on Monday, August 30, 2004 to accept lease applications.

Lease applications will be date and time stamped in order to determine the priority of service. Applicants waiting in line when the doors open will undergo a drawing to determine priority of service. In the event of a staking conflict, the first applicant to stake a Remote Recreational Cabin Site and submit a valid application has priority over later applications.

Rejection or Modification of Lease Application

An application for a Remote Recreational Cabin Site lease may be rejected for failure to comply with the program as established under state statutes and regulations; for failure to comply with the staking instructions; for staking over a prior lease application or exclusion; for staking outside the staking area boundary; or for failure to brush and flag parcel boundary lines.

DNR reserves the right to modify parcel boundaries to conform to staking instructions; to eliminate a conflict with another parcel or exclusion; to avoid leaving an unusable remnant of state land; to satisfy municipal platting requirements; or to conform to topography.

DNR also reserves the right to modify the parcel, thereby conforming to standard surveying practices and reserving additional access easements for future legal access to parcels in the staking area. The department will not modify the size of a Remote Recreational Cabin Site lease by more than 10 percent without the lessee's consent.

Lease Payments

The term of the lease will be three years. The annual lease payments will be \$100 and will be paid quarterly. The lease payment is in addition to the quarterly survey and appraisal deposit payments.

Lease payments do not apply towards the purchase price of your parcel. Lease payments are non-refundable regardless of whether the lease is relinquished or terminated for cause.

During the three-year lease, the department will survey and appraise your parcel. DNR reserves the right to extend the three-year lease for one year if necessary to complete the survey and appraisal. At any time after the survey and appraisal, and during your lease, if you are in good standing, you can enter into a purchase contract with DNR or pay off the full purchase price of the parcel. Any remaining lease rental for that year will be prorated and applied towards the purchase price.

If you do not wish to purchase the parcel during the three-year lease period, you can renew the lease for a single five-year term as long as you are in good standing. Lease payments during this second term automatically increase to \$1,000 per year. At any time during this one-time five-year renewal, if you are in good standing, you can enter into a purchase contract with DNR or pay off the full purchase price of the parcel.

Deposits for Survey, Platting & Appraisal

During the three-year lease term, you will make quarterly deposit payments for the department's estimated costs for the survey, platting, and appraisal of the parcel, prorated by acreage. The total amount of the deposit may vary from area to area. DNR may contract out for the survey and appraisal.

The first quarterly payment will be due when you are notified that the lease application has been approved. The next scheduled payment will be due three months from the effective date of the lease and every three months thereafter during the three-year lease term.

A typical quarterly deposit payment may be between \$300-\$600 depending on the staking area. An example of a quarterly payment breakdown is as follows:

Example of Quarterly Payment Schedule		
	<u>Quarterly Payment</u>	<u>3-year total</u>
Lease rental payment	\$25.00	\$300.00
Appraisal deposit	\$41.67	\$500.00
Survey deposit (credited to the purchase price)	\$375.00	\$4,500.00
Total quarterly payment	\$441.67	

NEW!

You may make lease payments online by credit card at www.dnr.state.ak.us/pic/