Bond Case Briefs

Municipal Finance Law Since 1971

REAL PROPERTY - ALASKA

Gavora, Inc. v. City of Fairbanks

Supreme Court of Alaska - December 30, 2021 - P.3d - 2021 WL 6141628

Purchaser of property with contaminated groundwater brought action against vendor, a city, for misrepresentation, fraud, breach of contract, breach of implied covenant of good faith and fair dealing, breach of implied warranty of fitness for public use, implied indemnity, and negligence based on allegations that vendor misrepresented the property's environmental status during purchase negotiations.

The Superior Court ruled in vendor's favor. Purchaser appealed.

The Supreme Court held that:

- Fiduciary duty or similar relation of trust did not exist between vendor and purchaser, such that vendor had no duty to disclose contamination;
- Vendor had no reason to know purchaser did not know about contamination, such that vendor had no duty to disclose contamination;
- Superior court's finding that vendor and vendor's primary negotiator did not actively deceive purchaser, as used to support conclusion that vendor was not liable for failing to disclose dangerous condition known to it, was not clearly erroneous;
- Purchaser had reason to know about groundwater contamination on the property, such that vendor was not liable for failing to disclose dangerous condition known to it; and
- Superior court's finding that there was no physical harm after purchase of property, as used to support conclusion that vendor was not liable for failing to disclose dangerous condition known to it, was not clearly erroneous.

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com