

## **PURCHASE AGREEMENT**

**THIS AGREEMENT** ("Agreement") is made as of \_\_\_\_\_, 2020, between the Northfield Housing and Redevelopment Authority, a/k/a Housing and Redevelopment Authority of the City of Northfield, Minnesota, a public body corporate and politic under the laws of Minnesota, ("Seller"), and Marilyn R. Finneseth, a widow not remarried, ("Buyer"); (collectively the "Parties").

### **RECITALS**

A. Buyer, as Lessee, and Cannon River Community Land Trust, ("CRCLT") as Lessor, entered into a Lease Agreement ("Lease") dated March 10, 2006.

B. Buyer is the owner of the buildings and improvements located at 513 Bunker Drive, legally described as Lot 2, Block 3, in Maple Hills Addition, in the City of Northfield, Rice County, Minnesota (the "Property").

C. Fee title to the Property was conveyed by CRCLT to Seller pursuant to a Quit Claim Deed dated April 1, 2013, and in executing this Agreement Buyer consents to such conveyance.

D. CRCLT has assigned its interest as Lessor in the Lease to Seller pursuant to an Assignment of Lease dated April 1, 2013, and in executing this Agreement Buyer consents to such assignment.

E. The Lease limits the Owner's ability to transfer the Owner's interest in the leased premises and improvements to only an Income-Qualified Person as defined in the Lease, and further provides for a shared appreciation of value between the Lessor and Lessee in the event of sale to an approved Income-Qualified Person.

F. Buyer and Seller now desire that the fee title to the Property be conveyed by Seller to Buyer, and the Lease be terminated, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties hereto contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree as follows:

1. **Sale of Property.** Upon and subject to the terms and conditions of this Agreement, Seller agrees to sell to Buyer, and Buyer agree to purchase from Seller, the following legally described real property (the "property" or "real estate"):

a. **Real Property.**

Lot 2, Block 3, in MAPLE HILLS ADDITION, in the City of Northfield, Rice County, Minnesota.

Subject to easements and restrictions of record.

b. **Personal Property:** none.

2. **Purchase Price and Manner of Payment.** The total purchase price to be paid by Buyer to Seller for the Property shall be \$10,200.00, all in cash at closing.

3. **Closing and Possession.** The closing of the purchase and sale contemplated by this Agreement shall occur on a date mutually acceptable to Seller and Buyer, but no later than August 5, 2020 (the "Closing Date"). The Seller agrees to deliver possession not later than the date of closing provided that all the conditions of this Agreement have been complied with. Closing shall take place at Northfield City Hall, 801 Washington Street, Northfield, MN 55057.

4. **Conditions Precedent.** The obligation of the Seller to perform under this Agreement is contingent upon the timely occurrence or satisfaction of each of the following conditions precedent occurring prior to the Closing Date:

a. **Seller's Transaction Approval.** Seller's obligation to perform hereunder is contingent upon Seller obtaining, before the Closing Date, approval of the transaction contemplated by this Agreement by the governing body of the Seller. Notwithstanding anything in this Agreement to the contrary, if such approval has not been obtained by the Closing Date, this Agreement shall be null and void, and in this event Seller will return the earnest money paid by Buyer. Execution of this Agreement by any person on behalf of the Seller prior to obtaining the necessary approvals provided herein shall not confer any personal authority nor create any personal liability on the signer for the obligations of Seller under this Agreement.

b. **Form of Quit Claim Deed.** Attached hereto and made a part hereof as Exhibit A is the form of the Quit Claim Deed required for the sale.

5. **Purchase, As-Is.** Seller agrees to quit claim the property to Buyer on the Closing Date without making any representations or warranties about the condition of the property. The real estate described in this Purchase Agreement is being sold in an "as is" and with "all faults" condition, Buyer hereby agree to accept the property in such condition and acknowledges that Buyer have had an opportunity to inspect the real estate prior to the execution of this Agreement. Buyer's acceptance of title to the property shall represent Buyer's acknowledgment and agreement that, except as expressly set forth in this Agreement: (i) Seller has not made any written or oral representation or warranty of any kind with respect to the property (including without limitation express or implied warranties of title, merchantability, or fitness for a particular purpose), (ii) Buyer have not relied on any written or oral representation or warranty made by Seller, its agents or employees with respect to the condition or value of the property, (iii) Buyer have had an adequate opportunity to inspect the condition of the property, including without limitation, any environmental testing, and to inspect documents applicable thereto, and Buyer are relying solely on such inspection and testing, and (iv) the condition of the property is fit for Buyer's intended use. Buyer agree to accept all risk of Claims (including without limitation all Claims under any Environmental Law and all Claims arising at common law, in equity or under a federal, state or local statute, rule or regulation) whether past, present or future, existing or contingent, known or unknown, arising out of, resulting from or relating to the condition of the property, known or

unknown, contemplated or un contemplated, suspected or unsuspected, including without limitation, the presence of any Hazardous Substance on the property, whether such Hazardous Substance is located on or under the property, or has migrated or will migrate from or to the property.

For purposes of this Section, the following terms have the following meanings:

“Environmental Law” means the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 U.S.C. §9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. §9601 et seq. the Federal Water Pollution Control Act, 33 U.S.C. §1201 et seq., the Clean Water Act, 33 U.S.C. §1321 et seq., the Clean Air Act, 42 U.S.C. §7401 et seq., the Toxic Substances Control Act, 33 U.S.C. §1251 et seq., all as amended from time to time, and any other federal, state, local or other governmental statute, regulation, rule, law or ordinance dealing with the protection of human health, safety, natural resources or the environment now existing and hereafter enacted; and

“Hazardous Substance” means any pollutant, contaminant, hazardous substance or waste, solid waste, petroleum product, distillate, or fraction, radioactive material, chemical known to cause cancer or reproductive toxicity, polychlorinated biphenyl or any other chemical, substance or material listed or identified in or regulated by any Environmental Law.

“Claim” or “Claims” means any and all liabilities, suits, claims, counterclaims, causes of action, demands, penalties, debts, obligations, promises, acts, fines, judgment, damages, consequential damages, losses, costs, and expenses of every kind (including without limitation any attorney’s fees, consultant’s fees, costs, remedial action costs, cleanup costs and expenses which may be related to any claims).

6. **Wells and Individual Sewage Treatment Systems.** The Seller certifies that the Seller does not know of any wells or individual sewage treatment systems on or serving the real estate described herein.

7. **Real Estate Taxes.** Real estate taxes due and payable in the year 2020 shall be prorated to the date of closing.

8. **Title.** Seller shall quit claim the entirety of its interest in the property to Buyer, and Buyer shall have the opportunity to satisfy itself that Seller’s interest in the Property is free of encumbrances other than easements and restrictions of record which do not materially interfere with Buyer’ intended use of the Property and Permitted Exceptions as provided herein.

a. **Title Commitment.** Buyer may, within 30 days following full execution of this Agreement, obtain at their sole cost and expense, a title commitment (“Title Commitment”) covering the property.

b. **Objections.** Within fifteen (15) business days after delivery of the Title Commitment to Buyer from its Title Company, Buyer may deliver to Seller such written objections as Buyer may have to the form and content contained therein. Seller shall make reasonable efforts to satisfy such objections prior to the Closing Date.

c. **Buyer' Rights if Seller Fails to Cure Objections.** If Seller delivers written notice to Buyer on or before the Closing Date that Seller is unable to satisfy any objection or if, for any reason, Seller is unable to convey title satisfactory to Buyer in accordance herewith, Buyer may, as Buyer' exclusive remedies, waive such objections and accept such title as Seller is able to convey or terminate this Agreement by written notice to Seller and receive a refund of the earnest money, provided that such termination notice must be delivered on or before the Closing Date.

d. **Permitted Exceptions.** The following shall be deemed to be permitted exceptions:

- (1) Building and zoning laws, ordinances, state and federal regulations; and
- (2) The lien of real property taxes payable in the year of Closing which by the terms of this Agreement are to be paid or assumed by Buyer.
- (3) Matters contained in any title commitment or survey which Buyer is in possession of and for which Buyer does not make any objection to or waives any objection to and proceeds to closing on the Property.

9. **Closing Costs.** Buyer will pay all costs of any Title Commitment and all premiums required for the issuance of the Title Policy if Buyer elect to seek the same. Buyer will pay all costs relating to the title examination of the property. Buyer will pay any closing fee imposed by the Title Company. Buyer shall pay the state deed tax and conservation tax due on the Seller's Quit Claim deed and all costs related to making title marketable. Buyer shall pay for any costs involved in financing the purchase of the property and recording the Seller's Quit Claim deed. Buyer will pay the Seller's legal fees incurred for preparing the transaction documents necessary to effect the sale of the property to Buyer. All other costs charged by the Title Company will be prorated as is normal and customary in the county in which the property is located.

10. **Termination of Lease.** Buyer and Seller hereby agree that effective on the Closing Date, the Lease shall be terminated. On the Closing Date, Buyer and Seller shall execute a Termination of Lease Agreement substantially in the form as attached hereto as Exhibit B.

11. **Entire Agreement; Modification.** This written Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the property. There are no verbal agreements that change this Agreement and no waiver of any of its terms will be effective unless in writing executed by the parties.

12. **Binding Effect.** This Agreement binds and benefits the parties and their

successors and assigns.

13. **Controlling Law.** The Parties acknowledge and agree that each has been given the opportunity to independently review this Agreement with legal counsel, and/or has the requisite experience and sophistication to understand, interpret, and agree to the particular language of this Agreement. The Parties have equal bargaining power, and intend the plain meaning of the provisions of this Agreement. In the event of an ambiguity in or dispute regarding the interpretation of this Agreement, the ambiguity or dispute shall not be resolved by application of any rule that provides for interpretation against the drafter of the Agreement. This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.

14. **Dates and Time Periods.** Should the date for the giving of any notice, the performance of any act, or the beginning or end of any period provided for herein fall on a Saturday, Sunday or legal holiday, such date shall be extended to the next succeeding business day which is not a Saturday, Sunday or legal holiday.

15. **Miscellaneous Provisions.**

a. **Voluntary and Knowing Action.** The Parties, by executing this Agreement, state that they have carefully read this Agreement and understand fully the contents thereof; that in executing this Agreement they voluntarily accept all terms described in this Agreement without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.

b. **Authorized Signatories.** The Parties each represent and warrant to the other that (1) the persons signing this Agreement are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Agreement; each Party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.

c. **Data Practices.** The Parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 et seq.

d. **Assignment.** This Agreement may not be assigned by either Party without the written consent of the other Party.

e. **Headings and Captions.** Headings and captions contained in this Agreement are for convenience only and are not intended to alter any of the provisions of this Agreement and shall not be used for the interpretation of the validity of the Agreement or any provision hereof.

f. **Other Documents.** Each Party to this Agreement agrees, both at the Closing and after the Closing, to execute such other documents as may be reasonably requested by the other Party in order to complete the transaction contemplated by this Agreement.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed effective as of the day and year first set forth above.

**SELLER:** Northfield Housing and Redevelopment Authority, a/k/a Housing and Redevelopment Authority of the City of Northfield, Minnesota.

By: \_\_\_\_\_

Its Chair

By: \_\_\_\_\_

Its Secretary

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF RICE         )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_, as Chair, and \_\_\_\_\_, as Secretary, for the Northfield Housing and Redevelopment Authority, a/k/a Housing and Redevelopment Authority of the City of Northfield, Minnesota, a public body corporate and politic under the laws of Minnesota, Seller.

\_\_\_\_\_  
Notary Public

**BUYER:**

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Marilyn R Finneseth

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF RICE         )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2020, by Marilyn R Finneseth, Buyer.

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Notary Public

**THIS INSTRUMENT DRAFTED BY:**

Flaherty & Hood, P.A.  
525 Park Street, Suite 470  
St. Paul, MN 55103  
(651) 225-8840

## **EXHIBIT A: QUIT CLAIM DEED**

(Top 3 inches reserved for recording data)

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### **QUIT CLAIM DEED**

**Corporation, Partnership, or Limited Liability to Sole Owner**

DEED TAX DUE: \$33.66

DATE: \_\_\_\_\_

FOR VALUABLE CONSIDERATION, Northfield Housing and Redevelopment Authority, a/k/a Housing and Redevelopment Authority of the City of Northfield, Minnesota a public body corporate and politic under the laws of Minnesota, ("**Grantor**"), hereby conveys and quitclaims to Marilyn R Finneseth, a widow not remarried, real property in Rice County, Minnesota, legally described as follows:

Lot 2, Block 3, in Maple Hills Addition, in the City of Northfield, Rice County, Minnesota.

*Check here if all or part of the described real property is Registered (Torrens)* ☐

together with all hereditaments and appurtenances belonging thereto.

*Check applicable box:*

- ☒ The Seller certifies that the Seller does not know of any wells on the described real property.
- ☐ A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: [\_\_\_\_\_].)
- ☐ I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

Grantor

**Northfield Housing and Redevelopment Authority, a/k/a  
Housing and Redevelopment Authority of the City of Northfield,  
Minnesota.**

By: \_\_\_\_\_

Its: Chair

By: \_\_\_\_\_

Its: Secretary



State of Minnesota, County of Rice

This instrument was acknowledged before me on this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_, Chair, and \_\_\_\_\_, Secretary, of the Northfield Housing and Redevelopment Authority, a/k/a Housing and Redevelopment Authority of the City of Northfield, a Minnesota Corporation, a public body corporate and politic, under the laws of Minnesota.

(Stamp)

\_\_\_\_\_  
*(signature of notarial officer)*

Title (and Rank): \_\_\_\_\_

My commission expires: \_\_\_\_\_  
*(month/day/year)*

THIS INSTRUMENT WAS DRAFTED BY:  
**Flaherty & Hood, P.A.**  
525 Park Street, Suite 470  
St. Paul, MN 55103  
(651) 225-8840

TAX STATEMENTS FOR THE REAL PROPERTY DESCRIBED IN  
THIS INSTRUMENT SHOULD BE SENT TO:  
**Marilyn R Finneseth**  
513 Bunker Drive  
Northfield, MN 55057

## **EXHIBIT B—TERMINATION OF LEASE AGREEMENT**

### **TERMINATION OF LEASE AGREEMENT**

This Termination of Lease Agreement is by and between Northfield Housing and Redevelopment Authority, also known as Housing and Redevelopment Authority of the City of Northfield, Minnesota, a public body, corporate and politic under the laws of the State of Minnesota (“HRA”) and Marilyn R. Finneseth, a widow not remarried, and is effective this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

WHEREAS, Cannon Valley River Community Land Trust, Inc., a Minnesota non-profit corporation, (“CRCLT”) and Land Lessees Theodore J and Marilyn R Finneseth, a married couple, entered into a Lease Agreement (“Lease”) dated March 10, 2006.

WHEREAS, Theodore J. Finneseth died on May 7, 2008 and Marilyn R. Finneseth has not remarried.

WHEREAS, CRCLT assigned its Lessor’s interest in the Lease to HRA pursuant to an Assignment of Lease dated April 1, 2013.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, the parties agree to as follows:

The Lease is hereby terminated.

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This Instrument was drafted by:  
Flaherty & Hood, P.A.  
525 Park Street, Suite 470  
St. Paul, MN 55103  
(651) 225-8840