

COMMERCIAL / INDUSTRIAL PURCHASE AGREEMENT

Received by the City of Ramsey, a Minnesota municipal corporation ("Seller") from the RM Property Management LLC, a Minnesota Limited Liability Company ("Buyer") the sum of Ten Thousand dollars (\$10,000.00), earnest money for the purchase of property located at: 7039 Highway 10 NW, Ramsey, MN 55303, situated in the County of Anoka, State of Minnesota, and legally described as follows:

Lot 2, Block 1, Kovar Addition, according to the map or plat thereof on file and of record in the office of the Anoka County Recorder and Registrar of Titles. (the "Property")

together with the following personal property: NONE

all of which Property the undersigned Seller has this day sold to Buyer for the sum of: Five Hundred Fifty Thousand and 00/100 dollars (**\$550,000.00**), plus all applicable closing costs and fees as reflected on the Closing Statement, which Buyer and Seller agree to pay in the following manner.

Payment Method: By agreement of the parties, the amounts due for the Property shall be paid by Buyer at Closing to the Metropolitan Council, to repay the Seller's RALF loan on the Property. Payment to the Metropolitan Council shall be made via check or preferably *via ACH, with remittance to metcar@metc.state.mn.us, including reference "RALF Loan L06-03"*. Upon payment, the Seller shall ensure that Buyer receives a release of any restrictive covenant related to the RALF loan, if such release is needed.

- DEED/MARKETABLE TITLE:** Subject to performance by Buyer, Seller agrees to execute and deliver a Limited Warranty Deed conveying marketable title to the property subject only to the following exceptions:
 - building and zoning laws, ordinances, State and Federal regulations;
 - restrictions relating to use or improvement of the premises without effective for forfeiture provisions;
 - reservation of any minerals or mineral rights to the State of Minnesota; and
 - utility and drainage easements which do interfere with present improvements.
- REAL ESTATE TAXES:** Real estate taxes due and payable in the year of closing shall be prorated to the date of closing between the Buyer and Seller unless otherwise provided in this Purchase Agreement. Real estate taxes payable in the years prior to closing shall be paid by Seller. Real estate taxes payable in the years subsequent to closing shall be paid by Buyer.

3. SPECIAL ASSESSMENTS:

SELLER SHALL PAY on the date of closing: all installments of special assessments, certified for payment with the real estate taxes due and payable in the year of closing.

SELLER SHALL PAY on date of closing all other special assessments levied as of the date of this Agreement.

SELLER SHALL PROVIDE FOR PAYMENT OF special assessments pending as of the date of this Agreement for improvements that have been ordered by the City Council or any other governmental or private assessing authorities. If Buyer terminates this Agreement, Buyer and Seller shall immediately sign a cancellation of purchase agreement directing all earnest money paid hereunder to be refunded to Buyer. Seller shall pay on date of closing any deferral real estate taxes or special assessments payment of which is required as a result of the closing of this sale.

4. **PRORATIONS:** All items customarily prorated and adjusted in connection with the closing of the sale of the property herein including but not limited to rents, operating expenses, interest on any debt assumed by Buyer, shall be prorated as of the date of closing. It shall be assumed that Buyer will own the property for the entire date of closing.
5. **DAMAGE TO REAL PROPERTY:** If there is any loss to the property between the date hereof and the date of closing, for any reason, the risk of loss shall be to the Seller. If the property is destroyed or substantially damaged before the closing, this Purchase Agreement shall terminate, at Buyer's option, if Buyer gives written notice to Seller of such termination within thirty (30) days of the damage. Upon said termination, Buyer and Seller shall immediately sign a cancellation of purchase agreement directing all earnest money paid hereunder to be refunded Buyer.
6. **EXAMINATION OF TITLE:** Within a reasonable time after acceptance of this Purchase Agreement, Buyer shall obtain evidence of title, which shall include proper searches covering bankruptcies, state and federal judgments and liens, and levied and pending special assessments, as follows:

IF THE PROPERTY IS ABSTRACT, Buyer shall obtain either (a) a commitment for an owner's policy of title insurance on a current ALTA form issued by an insurer licensed to write title insurance in Minnesota and Buyer shall pay the costs of evidence of title for such title insurance policy, and Buyer shall pay the premium for any owner's policy or lender's policy issued by the title insurance company, the title examination fee and the fee for any endorsements or other coverages requested by Buyer; or (b) Abstract of Title certified to date. Buyer shall pay for all abstracting fees. Seller shall surrender any abstract in Seller's possession or control to Buyer at Closing.

IF THE PROPERTY IS TORRENS: Buyer shall obtain, either: (a) a Registered Property Abstract certified to date; or (b) a commitment for an owner's policy of title Insurance on a current ALTA form issued by Insurer licensed to write title insurance in Minnesota. Buyer shall be responsible to pay, under either option, only those costs necessary to prepare the Registered Property Abstract or commitment. Buyer shall, at Buyer's option, pay for either an attorney's title opinion or the title insurance premium (for both an owner's policy and any lender's policy and the examination fee, together with the costs for any endorsements or other coverages requested by Buyer).

Buyer shall have thirty (30) business days after receipt of the Abstract of Title, Registered Property Abstract, or title insurance commitment to provide Seller, with written objections to title. Buyer shall be deemed to have waived any title objections not made within such thirty (30) day period, except that this shall not operate as a waiver of Seller's covenant to deliver a Limited Warranty Deed. Seller shall use Seller's best efforts to correct any title objections noted by Buyer and to provide marketable title by the date of Closing. In the event Seller has not cured the title objections or otherwise provided marketable title by the date of Closing, Seller shall have an additional thirty (30) days to correct the title objections or otherwise make title marketable. Buyer may waive title objections or other defects by written notice to Seller. In addition to the thirty (30) day extension, Buyer and Seller may by mutual agreement further extend the Closing date. Lacking such extension, either party may declare this Purchase Agreement terminated and neither party shall be liable for damages to the other. Buyer and Seller shall immediately sign a cancellation of purchase agreement directing all earnest money paid hereunder to be refunded to Buyer.

7. **CLOSING.** If the parties agree, the closing of the purchase and sale contemplated by this Agreement (the "Closing") will take place on or before May 31, 2025, The Buyer will pay all Closing Costs except for Seller's portion of prorated real estate taxes and special assessments referenced herein this Purchase Agreement. The Closing on Lot 2, Block 1, Kovar Addition may take place remotely via electronic delivery of the executed documents and other deliverables on the Closing Date or on such other date and

time as the parties shall mutually agree. If an in-person Closing is preferred by either party, the Closing shall take place at a time mutually convenient to the Seller and Purchaser, at Custom Title, 9766 Fallon Avenue NE, Suite 103, Monticello, MN 56362. in, or such other location as the parties may mutually arrange.

8. **POSSESSION:** Seller shall deliver possession of the property on the date of Closing.

9. **REPRESENTATIONS AND WARRANTIES:** See attached Addendum.

10. **TIME IS OF THE ESSENCE FOR ALL PROVISIONS OF THIS CONTRACT.**

11. **SELLER CERTIFIES THAT SELLER X DOES _____ DOES NOT KNOW OF A PRIVATE SEWER SYSTEM ON OR SERVING THE PROPERTY. ----- (check one) -----**

(If answer is DOES, See Private Sewer System Disclosure.)

12. **SELLER CERTIFIES THAT SELLER X DOES _____ DOES NOT KNOW OF ANY WELLS ON OR SERVING THE PROPERTY. ----- (check one) -----**

(If answer is DOES, see Well Disclosure Statement.)

13. **ADDENDA.** Attached is 1 Addendum, which is incorporated and made part of this Purchase Agreement.

14. **MISCELLANEOUS PROVISIONS.**

A. Survival. All of the warranties, representations and covenants of this Agreement shall survive and be enforceable after the closing.

B. Entire Agreement; Modification. This Purchase 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 Purchase Agreement and no waiver of any of its terms will be effective unless in writing executed by that parties.

C. Successors and Assigns. If this Purchase Agreement is assigned, all provisions of this Purchase Agreement shall be binding on successors and assigns.

15. **NOTICES.** Any notice to be provided herein shall be delivered either personally or by mail to the following individuals:

BUYER: RM Property Management LLC
Mark B. Kaufman
7039 Hwy 10 NW
Ramsey, MN 55303

SELLER: City of Ramsey
Brian Hagen, City Administrator
7550 Sunwood Drive NW
Ramsey, MN 55303

16. COUNTERPARTS AND ELECTRONIC SIGNATURES. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. Electronic signatures will be deemed original signatures for purposes of this Agreement. Transmission by telecopy, e-mail or other transmission method of an executed counterpart of this Agreement will constitute due and sufficient delivery of such counterpart.

By the signatures below, with delegated authority, both the Seller and Buyer agree to the above terms.

SELLER:

City of Ramsey, a Minnesota municipal corporation

By: _____
Brian Hagen, City Administrator

Dated: _____

By: _____
Ryan Heineman, Mayor

Dated: _____

BUYER:

RM Property Management LLC, a Minnesota limited liability company

By: _____
Mark B. Kaufman, President

Dated: _____

ADDENDUM NO. 1 TO PURCHASE AGREEMENT

Property address:
7039 Highway 10 NW, Ramsey, MN 55303 (Lot 2, Block 1, Kovar
Addition)

By and between, the City of Ramsey, a municipal corporation of the State of Minnesota ("Seller") and the RM Property Management LLC, a Minnesota Limited Liability Company ("Buyer").

- 1. TERMS AND CONDITIONS.** The terms, conditions and provisions of this addendum shall take precedence over and control any contrary terms contained in the purchase agreement wherever possible.

- 2. REPRESENTATIONS AND WARRANTIES.** As an inducement to Buyer to enter into this Agreement, and as part of the consideration therefore, Seller represents and warrants to and covenants with Buyer that:
 - A.** Seller warrants that there are no underground storage tanks on the Property.
 - B.** Seller has received no notice of any violation of any zoning, building, health and safety, fire safety and environmental codes and laws from the City of Ramsey, Minnesota, or other local authority.
 - C.** Seller has received no notice of a violation of statutes, ordinances, regulations, judicial decrees or orders, or the pendency of any lawsuits, administrative or arbitration hearings or governmental investigations or proceedings affecting the Property.
 - D.** To the Seller's knowledge, there are no environmental proceedings, applications, petitions, resolutions, or other matters pending before any governmental agency, which would affect the property in any manner.
 - E.** To Seller's knowledge there are no environmental proceedings, applications, petitions, court pleadings, resolutions, investigations, by public or private agencies, or other matters pending which could prohibit, impede, delay, or adversely affect the use of the Property.
 - F.** Seller understands that if any liens are attached to this Property, they will be paid in full on or before closing.
 - G.** The property is not within a flood zone.
 - H.** The building is entirely within the boundary lines of the property.

- I. Seller is not a “foreign person”, “foreign partnership”, “foreign trust”, or “foreign estate” as defined in Section 1445 of the Internal Revenue Code.
- J. Seller understands that this purchase agreement includes all improvements to the land and all architectural plans, environmental reports or any other applicable reports or any other applicable reports that have been performed over the past 24 months.

3. BUYER’S CONTINGENCIES. Unless waived by Buyer in writing, Buyer’s obligation to purchase the property shall be subject to Buyer being able to satisfy the following contingencies on or before closing. The sufficiency of the contingencies will be determined by Buyer, in Buyer’s sole discretion. If any of these conditions is not satisfied by the date herein, Buyer has the option to terminate this Agreement by giving written notice of termination to Seller by 5:00 p.m. on the date thereof, time being of the essence, in which case Buyer and Seller must sign a Cancellation of Purchase Agreement and all earnest money will be returned to the Buyer within thirty (30) business days. Buyer may waive any condition in Buyer’s sole and absolute discretion.

- A. The ability of Seller to convey marketable fee title to the property, free and clear of any and all liens.
- B. Buyer shall review and approve, in its sole discretion, all the documentation required from the Seller as detailed in Paragraph 13 herein, within thirty (30) days of execution of this Agreement.

4. PERMITTED ACCESS AND INSPECTION. Buyer’s performance of this Agreement is expressly conditioned upon Buyer’s inspection and approval of the Property, which inspection shall be made within 30 days after the date thereof. During the term of such inspection, Buyer and its authorized representatives shall be permitted access to the Property at reasonable times for the purposes of architectural inspection and design studies, and such soil borings and environmental assessment as are deemed necessary by Buyer. Buyer agrees to indemnify and defend Seller from, and to hold Seller harmless against any and all claims, causes of action or expenses, including attorney’s fees, relating to or arising from Buyer’s presence on the Property prior to the Closing Date. Buyer agrees to repair any damage to the Property caused by such inspections and to return the Property to substantially the same condition as existed prior to Buyer’s inspection. If said inspection is, in Buyer’s sole discretion, unsatisfactory to Buyer, Buyer shall notify Seller of the same in writing within thirty (30) days from the date hereof and this agreement shall be null and void and the Earnest Money shall be refunded to Buyer. Buyer shall be entitled to actual possession of the Property on and after the Closing Date.

- 5. SPECIAL ASSESSMENTS.** Seller shall pay on or before the date of closing all current special assessments, pending or levied, for the property being purchased.
- 6. STATE DEED TAX.** Buyer shall pay the cost of any state deed tax stamps required to be attached to the deed upon recording thereof in accordance with the requirements of any lawful authority. Buyer shall pay the cost of any Mortgage Registration Tax and the cost of any Title Insurance premium in connection with the purchase.
- 7. HAZARDOUS WASTE AND TOXIC SUBSTANCES.** Seller shall provide all information to Buyer, within 10 days of the execution of this Purchase Agreement any Phase I and/or Phase II or any other Environmental tests that have been performed in the last twenty-four (24) months on the Property to Buyer. The Buyer, at its expense, may perform additional environmental testing to confirm that the premises are free and clear of any hazardous wastes or toxic substances. If such tests determine that said premises are contaminated and Seller does not correct said contamination, this agreement shall be null and void, all earnest money refunded to the Buyer and Buyer have no further recourse against Seller. Notwithstanding anything herein to the contrary, Buyer shall be solely responsible to determine whether there is any hazardous wastes and/or toxic substances on the property. Seller makes no representations as to the absence and/or presence of such wastes or substances. Buyer specifically waives and relinquishes any and all claims against the Seller for any costs, liability, and reimbursement for costs to clean the property relating to the presence of any hazardous wastes and/or toxic substances that may be on the property. This provision shall survive the delivery of the Limited Warranty Deed at Closing.
- 8. REPRESENTATIONS OF SELLER.** The parties signing this Agreement on behalf of Seller, hereby represent and warrant to Buyer that such persons have all authority to sign this Agreement on behalf of Seller.
- 9. DOCUMENTATION TO BUYER:** Seller agrees to provide to the Buyer the following items within a reasonable time period following acceptance of this agreement:

 - A.** A true, correct and complete copy of any and all leases and rental agreements, with current occupants, including security deposits on file.

B. A true, correct and complete copy of all contracts for services performed at said property over the previous twelve (12) month time period. This shall include, but not be limited to the follow: snow removal, lawn care, trash removal, roof, furnace repair service.

C. If applicable, as-built drawings, and any other 3rd party reports available.

- 10. SELLERS OBLIGATION.** Seller shall not execute any Lease during the period of time from the date of this Agreement through the date of closing without prior written consent of the Buyer.
- 11. LEAD AND ASBESTOS DISCLOSURE.** A risk assessment or inspection for possible lead-based paint hazards and presence of Asbestos may be performed at Buyer's expense. Buyers will have 30 days after the acceptance of this Agreement to schedule a site inspection for the presence of these substances. Any and all inspections will be done at the expense of the Buyers. If Buyers determine that the building does not meet their approval for any reason, they may void this Agreement and if voided, all earnest money will be returned to the Buyers.
- 12. SELLER'S DUTY OF MAINTENANCE AND REPAIR:** Between the date hereof and the date of closing, Seller agrees that it will maintain the premises in reasonable condition or under ordinary wear and tear and perform any work and install any equipment required to be done by leases or agreements with tenants.
- 13. AS IS PURCHASE.** Buyer acknowledges that the Property being purchased by Buyer is being purchased "AS IS". Buyer has the right and duty to inspect the Property or have it inspected by a person of Buyer's choice, at Buyer's expense. It is understood by the Buyer that the Buyer accepts the Property "AS IS" without any Representations or Warranties by the Seller except as expressly stated in this Agreement. Except as expressly provided in the Agreement, the Seller shall have no further responsibility or liability with respect to the condition of the property or Personal Property being sold with the Property. This provision shall survive the delivery of the Limited Warranty Deed at Closing.

By the signatures below, with delegated authority, both the Seller and Buyer agree to the above terms.

SELLER:

City of Ramsey, a Minnesota municipal corporation

By: _____
Brian Hagen, City Administrator

Dated: _____

By: _____
Ryan Heineman, Mayor

Dated: _____

BUYER:

RM Property Management LLC, a Minnesota limited liability company

By: _____
Mark B. Kaufman, President

Dated: _____