

PURCHASE AGREEMENT

This Purchase Agreement is dated 12/18/2023, 2023 (“Effective Date”), by and between McKeon H. Roberts, (“Seller”), located at 110 SW 15th Street, Grand Rapids, Minnesota, and the City of Grand Rapids (“City” or “Buyer”), a Minnesota municipal corporation located at 420 North Pokegama Avenue, Grand Rapids, Minnesota.

- 1. Sale Price.** Seller agrees to sell to Buyer, for the sum of **\$27,280** and other valuable consideration, as depicted in the attached parcel sketch and description:

Proposed Parcel B, 1.2 Acres. Within the Unplatted Part of the Northwest Quarter of the Southwest Quarter, Section 28, Township 55 North, Range 25 West, Itasca County, Minnesota. UNPLATTED NW ¼ - SW ¼ Section 28 T55N R25W.

Said purchase price shall include all improvements, fixtures and appurtenances on the property, which shall be transferred with no additional monetary value, free and clear of all liens and encumbrances.

- 2. Earnest Money.** Within three (3) days of the Effective Date, the Buyer shall deposit Five Thousand and no/100 dollars (\$5,000.00) with the Seller as consideration for Seller entering into this Purchase Agreement (“Earnest Money”). The Earnest Money shall be non-refundable except as specifically provided below. The Earnest Money shall be applied to the Sale Price on the Closing Date.
- 3. Personal Property.** There is no personal property to be transferred to Buyer as part of this transaction.
- 4. Deed/Title.** Subject to performance by Buyer, Seller hereby agrees to execute and deliver to Buyer a Warranty Deed conveying marketable title to the Property subject only to the following exceptions:
 - (1) Building and zoning laws, ordinance, state and federal regulations;
 - (2) Restrictions relating to use or improvement of the Property without effective forfeiture provision;
 - (3) Reservation of any minerals or mineral rights to the State of Minnesota;
 - (4) Utility and drainage easements which do not interfere with present improvements;
and
 - (5) Covenants, conditions, restrictions and easements of record, if any.
- 5. Real Estate Taxes/Assessments.** Real estate taxes due and payable in the year of closing shall be prorated between Seller and Buyer on a calendar year basis to the actual date of closing unless otherwise provided in this Purchase Agreement. Real estate taxes, including penalties, interest, and any associated fees, payable in the years prior to closing shall be paid by Seller. Buyer and Seller shall prorate, as of 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. As Buyer is a municipal corporation there will be no taxes or assessments levied following the sale of the property.

- 6. Expenses.** Except as stated below, all expenses related to the use, maintenance and occupancy of the Property prior to the closing shall be paid by Seller. It shall be assumed the Buyer will own the Property for the entire date of the closing.
- 7. Damage to the Property or Eminent Domain.** If there is any loss or damage to the Property between the date hereof and the date of closing, the risk of loss shall be on the Seller. If the Property is destroyed or substantially damaged before the closing, Buyer may, at Buyer's option, terminate this Purchase Agreement in accordance with paragraph 9 below. If eminent domain proceedings are commenced prior to the Closing against all or any part of the Property, Seller shall immediately give written notice to Buyer, and Buyer shall have the right, at its option, to terminate this Agreement in accordance with paragraph 9 below.
- 8. Examination of Title.** Seller shall, at Seller's cost, within a reasonable time after acceptance of this Agreement, furnish an Abstract of Title or a Registered Property Abstract, certified to date to include proper searches covering bankruptcies, state and federal judgments, liens and levied and pending special assessments or a title commitment for an ALTA 2006 Owner's Policy of Title Insurance, in the amount of the Sale Price, insuring Buyer's title to the Property. Seller shall use Seller's reasonable efforts to provide fee simple marketable title subject only to the exceptions identified in Paragraph 4 above by the Closing Date. If Seller has not provided marketable title by the Closing Date, (a) Seller shall have an additional 30 days to make title marketable; or (b) Buyer may waive title defects by written notice to Seller; and (c) in addition to the 30-day extension, Buyer and Seller may agree to further extend the Closing Date. Lacking an extension or waiver by Buyer, or upon the expiration of the extension, either party may declare this Purchase agreement canceled by written notice to the other party, in which case this Purchase Agreement is canceled.
- 9. Cancellation or Termination of the Purchase Agreement.** If the Buyer fails to cure the breach of a Buyer obligation in the manner provided in this Purchase Agreement, Seller may cancel this Purchase Agreement with notice required by Minn. Stat. 559.21. Buyer may, in its sole discretion, terminate this Purchase Agreement prior to closing for any reason by giving Seller written notice. If Buyer terminates the Purchase Agreement due to Seller's breach of a Seller obligation under the Purchase Agreement, then the Seller shall refund the Earnest Money to Buyer.
- 10. Closing Date/Possession.** Closing shall occur on or before **February 29, 2024**, or at such other date as may be agreed to by the parties in writing ("Closing Date"). Closing shall take place at the offices of a third-party closing company selected by Buyer, or at such other location as may be mutually agreeable in writing to the parties. Seller shall deliver possession of the Property on the date of closing.
- 11. Seller's Obligations at Closing.** At the Closing, Seller shall deliver to Buyer a duly executed warranty deed in recordable form, conveying to Buyer fee simple marketable title to

the Property and all rights appurtenant, free and clear of all mortgages, liens and encumbrances not listed in Paragraph 4 above, together with a seller's affidavit, FIRPTA affidavit, evidence as to the authority of the persons executing documents on behalf of Seller, well certificate and all other documents reasonably necessary to consummate the transaction contemplated by this Purchase Agreement.

12. Buyer's Obligations at Closing. At the Closing, Buyer shall pay to Seller the full amount of the Sale Price, as increased or decreased by prorations or adjustments set forth in this Agreement, and shall deliver to Seller all other documents reasonably necessary to consummate the transaction contemplated by this Agreement.

13. Closing Costs. Seller and Buyer agree to the payment of costs in connection with the Closing as follows: (a) Seller and Buyer each will pay one-half of any reasonable and customary closing fees or charges imposed by the third-party closing company for closing the transaction; (b) Seller and Buyer each will pay one-half of legal survey costs; (c) Seller shall pay all state deed tax for the recording of the deed; (d) Seller shall pay the cost of recording all documents necessary to place record title in the condition warranted by Seller in this Agreement and Buyer will pay the cost of recording the deed conveying the Property to Buyer; and (e) any other costs required to be paid by Buyer or Seller by Closing pursuant to this Agreement.

14. Representations and Warranties. There are no representations or warranties made with regard to the Property except as set out in this Purchase Agreement or any attached Addenda to the Agreement.

15. Time. Time is of the essence for all provisions of this contract.

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

17. Successor and Assigns. All provisions of this Agreement shall be binding on the new Buyer's and Seller's successors and assigns.

18. Entire Agreement. This Purchase Agreement constitutes the complete agreement between the parties regarding the purchase and sale of the Property and supersedes any prior oral or written agreements between the parties regarding the purchase and sale of the Property. There are no verbal agreements that change this Purchase Agreement. No waiver of any term of this Agreement will be effective unless in writing executed by the parties. The signatories to this Agreement represent that they are authorized to execute this Agreement.

19. Seller's Warranties:

(a) Seller does not know of a private sewer system on or serving the property.

(b) This Purchase Agreement is not subject to a private sewer and well inspection addendum.

- (c) Seller does not know of any hazardous substances or underground storage tanks located on the property.
- (d) Seller represents that it is the fee owner of the Property.
- (e) Seller warrants that it has received no notice of any action, litigation, investigation or proceeding of any kind pending neither against Seller, nor to the best of Seller's knowledge is any action, litigation, investigation, or proceeding pending or threatened against the Subject Premises, or any part thereof.
- (f) All labor or material which has been or will be furnished to the Property have been fully paid for or will be fully paid for prior to the Closing so that no lien for labor or material rendered can be asserted against the Property.

20. Brokerage Commissions. Seller and Buyer each represent and warrant that it has not been involved with any real estate brokers or agents on its behalf in connection with the transaction contemplated under this Purchase Agreement and that no commissions or costs are owed or being paid to any real estate broker or agent in connection with this transaction. Seller and Buyer agree to indemnify and hold harmless the other party from any loss, liability, cost, damage or expense resulting from, or relating to, the breach of its representation under this Paragraph and any claim for real estate commissions or costs resulting from the indemnifying party's actions in connection with this transaction not provided for above. These obligations of Seller and Buyer shall survive Closing or any termination of this Agreement.

21. Miscellaneous:

- (a) This Agreement represents the complete and final agreement of the parties regarding sale of the Property and supersedes any prior oral or written understanding. This Agreement may be amended only by a writing executed by both parties. This Agreement shall be binding on the parties hereto, their successors and assigns.
- (b) Buyer and Seller represent and warrant that the recitals contained herein are true and accurate as of the date of execution of this Agreement.
- (c) All notices required hereunder shall be given by depositing in the U.S. mail, postage prepaid, certified mail, return receipt requested, to the following addresses (or such other addresses as either party may notify the other)

To the Buyer: City of Grand Rapids
 Attn: Tom Pagel, City Administrator
 420 North Pokegama Ave.
 Grand Rapids, MN 55744

To the Seller: McKeon H. Roberts
 110 SW 15th Street
 Grand Rapids, MN 55744

22. Effective Date of Agreement. This Agreement shall become effective and shall be binding upon the parties hereto only after it has been executed by each of the parties hereto.

[Remainder of page intentionally blank; signature page follows]

**SELLER:
MCKEON H. ROBERTS**

**BUYER:
CITY OF GRAND RAPIDS**

Mckeon Roberts 12/18/2023

Seller Date

Buyer Date

Seller Date

Buyer Date

