

PURCHASE AGREEMENT

This Purchase Agreement (this “**Agreement**”) is made this 10TH day of AUGUST, 2023 (the “**Effective Date**”) by and between Moyer Family Trust under a Trust Agreement dated May 11, 2012, David J. Figi, a single person, Laura M. Figi, a single person, and John C. Langbein and Maja Langbein, married to each other (collectively referred to herein as the “**Sellers**”) and the Grand Rapids Economic Development Authority, a public body corporate and politic of the State of Minnesota (referred to herein as the “**Buyer**”) (herein referred to as each a “**Party**” or together as the “**Parties**”).

Recitals

WHEREAS, Sellers are the owners of that certain real property located in the City of Grand Rapids, Itasca County, Minnesota (the “**City**”) and as legally described in the attached **Exhibit A** (the “**Property**”); and

WHEREAS, Sellers wish to sell to Buyer, and Buyer desires to purchase from Sellers, the Property; and

WHEREAS, Buyer also wishes to contemporaneously purchase that certain real property neighboring the Property and located in the City and as legally described in the attached **Exhibit B** from unaffiliated third parties (the “**Neighboring Properties**”)

WHEREAS, the Parties wish to memorialize their mutual agreements and covenants in writing in the form of this Agreement.

Terms of Agreement

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, it is mutually agreed and covenanted by and between the Parties to this Agreement as follows:

1. Recitals. The foregoing recitals shall be and are hereby incorporated into and made a part of this Agreement.

2. Purchase Price and Terms:

- a. **PURCHASE PRICE:** The Purchase Price for the Property is Two Hundred and Seventy-Five Thousand and No/100 Dollars (\$275,000.00)(\$20,992.37 per acre) (the “**Purchase Price**”). The Purchase Price is predicated upon the assumption that the Property consists of 13.1 acres, +/- (as hereinafter defined). “Acres” shall gross acreage less existing dedicated roads and easements and areas classified as waterways. Sellers hereby acknowledge that Buyer’s consideration includes consideration for all relocation services and relocation benefits to which Sellers may be entitled to by law.

b. TERMS:

- (1) EARNEST MONEY. Buyer agrees to pay Five Thousand and No/100 Dollars (\$5,000.00) as Earnest Money payable on or before the Effective Date of this Agreement. The Earnest Money shall be held by the Title Company as defined herein and shall be applied to the Purchase Price at the Closing Date as defined herein. The Earnest Money will be refunded to Buyer if Buyer terminates this Agreement prior to the completion of the Due Diligence Period as defined herein and the satisfaction of all Contingencies. Upon the completion of the Due Diligence Period and the satisfaction of the Contingencies, the Earnest Money will be non-refundable to Buyer and will be paid to Sellers if this Agreement is terminated for any other reason.
- (2) BALANCE DUE SELLER. Buyer agrees to pay by check or wire transfer on the Closing Date any remaining balance due on the Purchase Price according to the terms of this Agreement.
- (3) DEED/MARKETABLE TITLE: Subject to performance by Buyer, Sellers agree to execute and deliver a Warranty Deed conveying marketable fee simple title to the Property to Buyer, free and clear of any mortgages, liens, or encumbrances other than matters created by or acceptable to Buyer, subject only to the following exceptions:
 - i. Building and zoning laws, ordinances, state, and federal regulations;
 - ii. Reservation of minerals or mineral rights to the State of Minnesota, if any; and
 - iii. Public utility and drainage easements of record which will not interfere with Buyer's intended use of the Property.

3. Documents to be Delivered at Closing by Sellers. In addition to the Warranty Deed required by Section 2(b)(3) herein, Sellers shall deliver to Buyer at closing:

- a. An affidavit from Sellers sufficient to remove any exception in Buyer's policy of title insurance for mechanics' and materialmen's liens and rights of parties in possession, if any;
- b. A "bring-down" certificate, certifying that all of the warranties made by Sellers in this Agreement remain true as of the Closing Date;
- c. Affidavit of Sellers confirming that Sellers are not foreign persons within the meaning of Section 1445 of the Internal Revenue Code;
- d. A well certification statement or a statement that Sellers are not aware of any wells

on the Property;

- e. Any notices, certificates, and affidavits regarding any private sewage systems, underground storage tanks, and environmental conditions as may be required by state or federal statutes, rules or regulations; and
- f. Any other documents reasonably required by Buyer's title insurance company or attorney to evidence that title to the Property is marketable and that Sellers have complied with the terms of this Purchase Agreement.

4. Contingencies. Buyer's obligation to purchase the Property is contingent upon the following:

- a. Approval of this Agreement by Buyer's governing body. Nothing in this Agreement shall be interpreted to limit or restrict the discretion of Buyer's governing body to grant or withhold approval of the conveyance. This contingency may not be waived by either Party;
- b. Buyer having confirmed satisfactory condition of title;
- c. Buyer having received satisfactory environmental reports, including, but not limited to, a Phase I report and all necessary closure and no association letters from respective government agencies, if applicable;
- d. Buyer having confirmed that the geotechnical characteristics of the Property are satisfactory, based on soil borings to be taken and analyzed by Buyer's geotechnical consultant;
- e. Buyer having entered into a development agreement with a third party for the development of the Property with terms that are satisfactory to Buyer, in Buyer's sole discretion;
- f. Buyer being satisfied with the results of an analysis performed by a third party as to the long-term economic feasibility and financing of the purchase, if deemed necessary by Buyer;
- g. Buyer having received all governmental and other regulatory agency approvals required for the intended development of the Property (the "**Project**"). Any conditions placed on the approval of the Project, including a conditional use permit, if any, shall be approved by Buyer at Buyer's sole discretion.
- h. Buyer's ability to contemporaneously purchase the Neighboring Properties on or before the Closing Date.

(collectively referred to herein as the "**Contingencies**").

Buyer shall have a period of 60 days from the Effective Date to remove or waive the foregoing Contingencies (the "**Due Diligence Period**").

The Contingencies are solely for the benefit of Buyer and may be waived in writing by Buyer. If Buyer or its attorney gives written notice to Sellers that all contingencies are duly satisfied or waived, the Parties shall proceed to close the transaction as contemplated herein.

If one or more of the Contingencies is not satisfied, or is not satisfied within the Due Diligence Period, and is not waived by Buyer, this Agreement shall thereupon be void at the written option of Buyer, and Sellers shall return the Earnest Money to Buyer, and the Parties shall execute and deliver to each other documentation effecting the termination of this Agreement. Buyer shall also deliver to Sellers copies of all documentation gathered during the Due Diligence Period, including without limitation all survey, environmental or soil tests. As a contingent purchase agreement, the termination of this Agreement is not required pursuant to Minnesota Statutes Section 559.21, et. seq.

5. Sellers' Deliverables. Within seven business days of the Effective Date, Sellers shall provide Buyer with copies of all relevant materials in Sellers' possession relating to the Property, including but not limited to, title reports, soil reports, environmental studies, surveys, environmental reports, agreements with governmental authorities, or other records of the Property that Sellers have in Sellers' possession (collectively "**Sellers' Deliverables**").

6. Title Examination/Curing Title Defects. Upon execution of this Agreement by both parties, Buyer shall, at its sole expense obtain a commitment for title insurance ("**Commitment**") for the Property from a title company to be selected by Buyer (the "**Title Company**"). Buyer shall have 15 business days after receipt of the Commitment or after the execution of this Agreement by both parties, whichever is later to examine the same and to deliver written objections to title, if any, to Sellers, or Buyer's right to do so shall be deemed waived. Sellers shall have until the end of the Due Diligence Period (or such later date as the Parties may agree upon) to make title marketable, at Sellers' sole cost. In the event that title to the Property cannot be made marketable or is not made marketable by Sellers within the Due Diligence Period, then this Agreement may be terminated at the option of Buyer.

7. Buyer's Survey Obligations. The Parties hereby acknowledge the legal description for the Property as drafted may be deemed insufficient, unmarketable, and uninsurable by the Title Company as defined herein. In the event that the Property needs to be resurveyed and a new legal description created, Buyer shall be responsible for all costs and expenses associated with creating a new and valid legal description that is deemed sufficient, marketable and insurable as determined solely by Buyer.

8. Real Estate Taxes and Special Assessments. Sellers shall pay all real estate taxes, interest, and penalties, if any, relating to the Property for the years prior to the year of closing. Provided that this transaction shall close as provided herein, Buyer agrees to pay all taxes for the years following the year of closing. The Parties shall prorate all taxes for the year of closing based on the Closing Date. Sellers shall pay all special assessments regarding the Property which are levied or pending as of the Closing Date as defined in Section 9 herein, including portions which would otherwise have been payable in future installments.

9. Closing Date. The date of closing shall be within 30 days of the expiration of the Due Diligence Period or earlier, unless mutually extended and expressed in writing signed by both Parties (the “Closing Date”). The closing shall be made at the offices of the Title Company or at such other location as is mutually agreed upon by the Parties. All deliveries and notices to Buyer shall be made as provided in Section 16 of this Agreement.

10. Possession/Condition of Property.

- a. **Possession.** Sellers agree to deliver possession of the Property to Buyer no later than the Closing Date.
- b. **Condition of Property/No Personal Property.** Sellers shall deliver possession of the Property to Buyer on the Closing Date in the same condition as the Property existed on the date of this Agreement. The Parties acknowledge that there is no personal property included in this exchange.

11. Sellers’ Warranties. Sellers hereby represent and warrant to Buyer and Sellers will represent and warrant to Buyer as of the Closing Date that:

- a. No action in condemnation, eminent domain or public taking proceedings are now pending or contemplated against the Property.
- b. No ordinance or hearing is now before any local governmental body which either contemplates or authorizes any public improvements or special tax levies, the cost of which may be assessed against the Property.
- c. Sellers have good and marketable fee simple title interest to the Property.
- d. There are no notices, orders, suits, judgments, or other proceedings relating to fire, building, zoning, air pollution or health violations that have not been corrected with respect to the Property.
- e. The Property will as of the date of closing be free and clear of all mortgages, liens, security interests, encumbrances, leases, or other restrictions except encumbrances permitted by Buyer. There are no third parties in possession of the Property.
- f. All labor or materials which have been furnished to the Property have been fully paid for or will be fully paid for prior to the closing date.
- g. The Property does not contain any underground or above ground storage tanks, except as otherwise disclosed by the Seller in this Agreement.
- h. No wells or sewage treatment systems are on the Property.
- i. No hazardous wastes or materials on or under the Property and no notices have been received by Sellers from any federal, state, local, or other governmental agency (or a compliance letter).

Sellers' representations and warranties set forth in this Section shall be continuing and are deemed to be material to Buyer's execution of this Agreement and Buyer's performance of its obligations hereunder. All such representations and warranties shall be true and correct on or as of the Closing Date with the same force and effect as if made at that time; and all of such representations and warranties shall survive closing and any cancellation or termination of this Agreement, and shall not be affected by any investigation, verification or approval by any part hereto or by anyone on behalf of any Party hereto. Sellers agree to defend, indemnify, and hold Buyer harmless for, from and against any loss, costs, damages, expenses, obligations, and attorneys' fees incurred should an assertion, injury, claim, demand, or cause of action be instituted, made or taken, which is contrary to or inconsistent with the representations or warranties contained herein.

12. Costs and Prorations. Sellers shall pay the cost to record any documents to make title marketable. Buyer shall pay: (a) any transfer or deed taxes; (b) the cost of the title commitment (and any title search and examination fees); (c) any title insurance premiums and endorsements; (d) the cost to record the deed; (e) the closing costs charged by the Title Company; (f) any environmental investigation, geotechnical investigation or inspection costs; (g) any survey costs; and (h) the costs associated with Buyer's broker. Each Party shall pay its respective attorneys' fees.

13. Inspections. From the Effective Date to the end of the Due Diligence Period, Sellers hereby expressly grant Buyer, its employees and agents, the right to enter upon the Property to conduct such surveying, inspections, investigations, soil borings and testing, as Buyer shall elect. Buyer shall hold Sellers harmless from any liability caused by such entry. Buyer agrees to indemnify Sellers against any liens, claims, losses, or damage directly attributable by Buyer's exercise of its right to enter and work upon the Property. Buyer agrees to provide Sellers with a copy of any report prepared as a result of such inspection, examination, or testing, upon request by Sellers.

14. Default/Exclusive Remedies. If Buyer defaults under this Agreement, Sellers have the right to terminate this Agreement by giving written notice of such election to Buyer, which notice shall specify the default. If Buyer fails to cure such default within 15 days of the date of such notice, Sellers may terminate this Agreement and retain the Earnest Money as liquidated damages. The termination of this Agreement (and retention of the Earnest Money) shall be the sole remedies available to Sellers for such default by Buyer, and Buyer will not be further liable for damages. If Sellers default under this Agreement, Buyer shall have the right: (i) to terminate this Agreement (in which case Buyer shall be entitled to a refund of the Earnest Money); or (ii) to enforce and recover from Sellers specific performance of this Agreement. The termination of this Agreement (and refund of the Earnest Money), or the enforcement and recovery from Sellers of specific performance of this Agreement, shall be the sole remedies available to Buyer for such default by Sellers, and Sellers shall not be further liable for damages.

15. Relocation Benefits; Indemnification. Sellers acknowledge that they are not being displaced from the Property as a result of the transaction contemplated by this Agreement and that they are not eligible for relocation assistance and benefits or in the event that Sellers are deemed eligible

for relocation assistance and benefits, that the Purchase Price includes compensation for any and all relocation assistance and benefits for which Sellers may be eligible. The provisions of this Section shall survive closing of the transaction contemplated by this Agreement.

16. Notice. Any notice, demand, request or other communication which may or shall be given or served by the Parties, shall be deemed to have been given or served on the date the same is personally served upon one of the following indicated recipients for notices or is deposited in the United States Mail, registered or certified, return receipt requested, postage prepaid and addressed as follows:

SELLERS:

Moyer Family Trust

DocuSigned by:

434003174C534AF

David J. Figi

Laura M. Figi

John C. Langbein and Maja Langbein

BUYER:

Grand Rapids Economic Development Authority
Attention: Rob Mattei
420 North Pokegama Avenue
Grand Rapids, MN 55744

With a copy to:

Kennedy & Graven
Attention: Sarah Sonsalla
Fifth Street Towers
150 South Fifth Street, Suite 700

Minneapolis MN 55402

17. Entire Agreement. This Agreement, including exhibits attached hereto, and any amendments hereto signed by the Parties, shall constitute the entire agreement between the Parties and supersedes any other written or oral agreements between the Parties relating to the Property. This Agreement can be modified only in a writing properly signed on behalf of both Parties.

18. Survival. Notwithstanding any other provisions of law or court decision to the contrary, the provisions of this Agreement shall survive closing.

19. Electronic Signatures; Execution in Counterparts. The electronic signature of the Parties to this Agreement shall be as valid as an original signature of such party and shall be effective to bind the Parties hereto. For purposes hereof, (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

20. Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

21. Binding Effect. This Agreement binds and benefits the Parties and their heirs, successors, and assigns.

22. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions herein will remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the agreements contemplated herein are not affected in any manner materially adverse to any Party. Upon such determination, the Parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to affect the original intent of the Parties.

23. Governing Law. The provisions of this Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

24. Partnership or Joint Venture. Nothing in this Agreement shall be construed or interpreted as creating a partnership or joint venture between the Parties relative to the Property.

IN WITNESS WHEREOF, the parties have executed this Purchase Agreement as of the date written above.

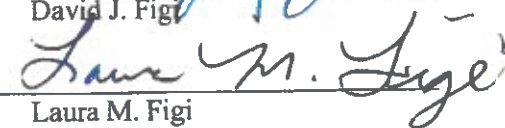
SELLERS

MOYER FAMILY TRUST UNDER A
TRUST AGREEMENT DATED MAY 11,
2012

By: _____

Its: _____

By:  _____
David J. Figi

By:  _____
Laura M. Figi

By: _____
John C. Langbein

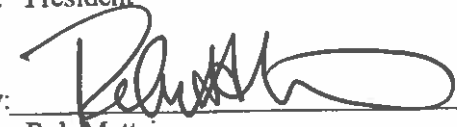
By: _____
Maja Langbein

BUYER

GRAND RAPIDS ECONOMIC
DEVELOPMENT AUTHORITY

By:  _____

Its: President

By:  _____
Rob Mattei

Its: Executive Director

IN WITNESS WHEREOF, the parties have executed this Purchase Agreement as of the date written above.

SELLERS

MOYER FAMILY TRUST UNDER A
TRUST AGREEMENT DATED MAY 11,
2012

By: _____

Its: _____

By: _____
David J. Figi

By: _____
Laura M. Figi

By: 
John C. Langbein

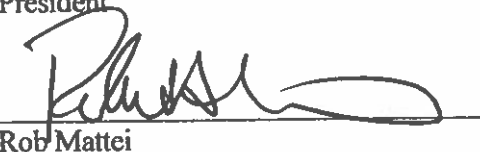
By: 
Maja Langbein

BUYER

**GRAND RAPIDS ECONOMIC
DEVELOPMENT AUTHORITY**

By: 

Its: President

By: 
Rob Mattei

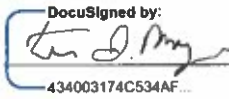
Its: Executive Director

IN WITNESS WHEREOF, the parties have executed this Purchase Agreement as of the date written above.

SELLERS

**MOYER FAMILY TRUST UNDER A
TRUST AGREEMENT DATED MAY 11,
2012**

By: _____

Its:  _____

By: _____

David J. Figi

By: _____

Laura M. Figi

By: _____

John C. Langbein

By: _____

Maja Langbein

BUYER

**GRAND RAPIDS ECONOMIC
DEVELOPMENT AUTHORITY**

By:  _____

Its: President

By:  _____

Rob Mattei

Its: Executive Director

EXHIBIT A
Legal Description of the Property

The Southeast Quarter of the Northeast Quarter (SE 1/4 NE 1/4), Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty-five (25), West of the Fourth Principal Meridian, LESS the following three (3) tracts: Tract 1: South Twenty (20) acres thereof; Tract 2: North 198 feet of West 440 feet thereof; Tract 3: East 330 feet of the North Half thereof, Itasca County, Minnesota

PID: 91-033-1410

Moyer Map



3/10/2023, 5:57:28 AM

Tax Parcel

0 0.05 0.1 0.2 mi
0 0.07 0.15 0.3 km

Itasca County
This information is a compilation of data from different sources with varying degrees of accuracy. It is not a legal survey and should not be used for legal purposes.

EXHIBIT B
Legal Descriptions of the Neighboring Properties

The North 500 feet of the Northeast Quarter of the Southeast Quarter (NE 1/4 SE 1/4), Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty-five (25), LESS the South 220 feet of the West 300 feet thereof, County of Itasca, State of Minnesota.

PID: 91-033-4120

AND

The South Half of the Northeast Quarter (S 1/2 NE 1/4), Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty-five (25) West of the Fourth Principal Meridian LESS the East 330 feet thereof, Itasca County, Minnesota.

PID: 91-033-1430