

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT ("Agreement") is made and entered into effective as of _____, 2018 (the "Effective Date") by and between Metro Holdings LLC ("Buyer"), and John Hanson ("Seller").

In consideration of the Earnest Money, the mutual covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. **Sale of Property.** Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller, the 2059 Idaho Avenue East, Saint Paul, Minnesota 55119 ("Property"), upon and subject to the terms, conditions, and limitations herein contained.

Legal Address: 2059 Idaho Ave E

2. **Purchase Price and Manner of Payment.** The Purchase Price shall be Ninety Thousand Dollars (\$90,000) payable by Buyer to Seller as follows:

- 2.1. **Earnest Money.** Not later than three (3) days following the Effective Date, Buyer shall pay to Seller \$10,000. Except as otherwise provided herein, the Earnest Money, shall be credited against the Purchase Price at the Closing. Earnest Money shall become non-refundable to the Buyer if the City of Saint Paul approves the purchase. If the City of Saint Paul does not approve the transaction the earnest money shall be returned within three (3) days.

- 2.2. **Balance of Purchase Price.** The balance of the Purchase Price, as increased or decreased by any and all other adjustments set forth in this Agreement, shall be paid into the Trust Account held by the Kueppers, Kronschnabel & Skrypek PA law firm, 101 East Fifth Street, Suite 1500, Saint Paul, Minnesota 55101 at the Closing upon issuance by the seller and the City of Saint Paul with conveyable title. The Closing shall not occur until all necessary work on the Property is completed and passes inspection by the City of Saint Paul.

3. **Buyer's Contingencies.** The obligations of Buyer under this Agreement are contingent upon each of the following:

- 3.1. **Representations, Warranties, and Covenants.** The representations, warranties, and covenants of Seller contained in this Agreement must be true as of the Effective Date and on the Closing Date as if made on the Closing Date.

- 3.2. **Title.** Title to the Property shall have been found acceptable, or been made acceptable. The City of Saint Paul must authorize the purchase to proceed.

- 3.3. **Mechanic's Liens.** Contractors who perform work on the subject property and who do not get paid by buyer have the ability to file and record and then subsequently foreclose mechanics' liens.

4. **Seller's Contingencies.**

4.1. **Representations, Warranties, Covenants.** The obligations of Seller under this Agreement are contingent upon the representations, warranties, and covenants of Buyer contained in this Agreement being true as of the Effective Date and as of the Closing Date.

5. **Closing.** The Closing shall occur on the Closing Date. The Closing shall take place at a location mutually agreeable to Seller and Buyer. Seller agrees to deliver possession of the Property to the Buyer on the Closing Date.

5.1. **Seller's Closing Documents.** On the Closing Date, Seller shall execute and deliver to Buyer the following documents (collectively, the "Seller's Closing Documents"), all in form and content reasonably satisfactory to Buyer:

5.1.1. The Deed.

5.1.2. Any executed documents that may be required in the State or other jurisdiction where the Property is located in order for the Deed to be recorded properly on the Closing Date.

5.1.3. Any other document reasonably determined by the Buyer to be necessary to transfer the Property to Buyer free and clear of all encumbrances other than permitted encumbrances.

5.2. **Buyer's Closing Documents.** On the Closing Date, Buyer will execute and deliver to Seller the following (collectively, the "Buyer's Closing Documents"):

5.2.1. The funds representing the remaining portion of the Purchase Price due hereunder, subject to any adjustments and/or prorations required hereunder.

5.2.2. Any other documents reasonably requested by the Seller or the Title Company.

6. **Prorations.** Seller and Buyer agree to the following prorations and allocation of costs regarding this Agreement:

6.1. **Title Insurance and Closing Fee.** Seller will pay all reasonable closing fees associated with this transaction.

6.2. **Recording Fees.** Buyer will pay any recording fees in connection with the release of all mortgages, liens and encumbrances and security interests against the Property that are not being assumed by Buyer. Buyer shall also pay any deed tax due in connection with the sale of the Property. Buyer shall pay the recording fee in connection with the recording of the Deed.

7. Remedies.

- 7.1. If Seller defaults on any of its material obligations under this Agreement or the City of Saint Paul does not approve of the sale and Seller fails to cure such default within ten (10) days after receiving written notice thereof, Buyer shall be entitled to (a) terminate this Agreement and receive a refund of the Earnest Money, (b) apply for and to receive from a court of competent jurisdiction equitable relief by way of specific performance to enforce Seller's performance of the terms of this Agreement, or (c) pursue any other remedy at law or in equity.

8. Miscellaneous.

- 8.1. Construction. This Agreement shall not be construed more strictly against one party than against the other, merely by virtue of the fact that it may have been prepared primarily by counsel for one of the parties, it being recognized that both Buyer and Seller have contributed substantially and materially to the preparation of this Agreement.
- 8.2. Severability. The invalidity or unenforceability of any term or terms of this Agreement shall not invalidate, make unenforceable or otherwise affect any other term of this Agreement, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted, and in such event, the remaining terms of this Agreement shall remain in full force and effect.
- 8.3. Governing Law; Parties in Interest. This Agreement shall be governed by and be construed in accordance with the laws of the State of Minnesota.
- 8.4. Complete Agreement. This instrument and any exhibits, schedules or addendums attached hereto contain the entire Agreement of the parties, and supersedes all prior negotiations, agreements or understandings, whether oral or in writing. This Agreement may not be changed orally but only by an Agreement in writing signed by the party against whom enforcement of any such waiver, change, modification, extension or discharge is sought.
- 8.5. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute an original but all of which, taken together, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, Seller and Buyer have executed this Purchase Agreement effective as of the Effective Date.

SELLER:

BUYER:

EXHIBIT B

Legal Description

Torrens Certificate of Title No. _____