

PURCHASE AGREEMENT

1.0 PURCHASE AGREEMENT AND PARTIES

THIS PURCHASE AGREEMENT is made effective as of _____, 2024, the “**Effective Date**,” by and between

DAWN STARR KELLER, an unmarried person, of 415 Clarence St., St. Paul, Minnesota 55106-5817, a single person, “**Seller**,” whose representative and address for any notice related to this Purchase Agreement is:

David S. Drach Office: (651) 340-7080
Drach Law, PLLC Mobile: (612) 834-1064
3234 Rice St., Suite 2 E-mail: david@drach-law.com
Little Canada, MN 55126

or such other contact and address as Seller may hereafter designate,

and

HOUSING & REDEVELOPMENT AUTHORITY OF THE CITY OF ST. PAUL, MINNESOTA, a public body corporate and politic organized and existing under the laws of the State of Minnesota, hereinafter the “**Buyer**,” whose representative and address for any notice related to this Purchase Agreement is:

City of Saint Paul HRA Telephone: (651) 266-9119
25 West 4th St., Suite 1300
St. Paul, MN 55102 E-mail: Jonathan.Reisetter@ci.stpaul.mn.us
Attn: Jonathan Reisetter

With a copy to: Assistant City Attorney, City of Saint Paul
15 West Kellogg Blvd., Fourth Floor
Saint Paul, Minnesota 55102
Attention: PED Attorney

or such other contact and address as Buyer may hereafter designate.

Seller and Buyer are collectively referred to herein as the “**Parties**,” or generically and individually as a “**Party**.”

THE PARTIES HERETO agree as follows:

2.0 RECITALS

2.1 Seller represents to Buyer that Seller is the sole existing vendee under a contract for deed dated June 16, 2016, the “**Contract for Deed**,” to purchase the real property

located at 415 Clarence St., St. Paul, MN 55106, Ramsey County, Minnesota (as legally described in Section 3.1 below, the “**Real Property**”) that is owned in fee title by Mark Cemensky and Carol Cemensky, husband and wife, of 2343 Swan Drive, Mendota Heights, MN 55120, collectively “**Vendor.**”

- 2.2 Seller represents to Buyer that the Contract for Deed remains in full force and, pursuant to Section 4 of the Contract for Deed, its maturity date is June 15, 2026.
- 2.3 Seller has requested that Buyer purchase the Real Property, and, as an accommodation to Seller, Buyer desires to purchase the Real Property upon the terms and conditions set forth herein.
- 2.4 Seller agrees to sell and convey to Buyer said Real Property upon the terms, conditions and for the consideration set forth herein.

3.0 PROPERTY

3.1 Real Property Description.

The Real Property that is the subject of this Purchase Agreement is described as follows:

Lots 1 and 2, Block 1, Joy’s East End Addition, EXCEPT the North 54 feet thereof, Ramsey County, Minnesota, PID 34-29-22-32-0008.

3.2 Fixtures and Personal Property.

For the purposes of this Purchase Agreement, “**Fixtures**” are items that are embedded in the land or attached to the building(s) and cannot be removed without damage to the Real Property. “**Personal property**” includes items that are not attached to the building(s) or embedded in the land and that are removable without damage to the Real Property. Without specific enumeration, Title to Fixtures and any Personal property remaining in or on the Real Property as of the possession date passes to Buyer with the Deed. Notwithstanding the foregoing, Seller shall remove all Personal Property from the Real Property prior to the Closing Date (as defined below). Buyer is entitled to inspect the Real Property anytime within 48 hours of the Closing Date to ensure that all such Personal Property is removed therefrom.

Seller shall not be required to repair any damage to the Real Property that occurs in Seller’s removal of these fixtures nor shall Seller be required to replace any removed fixtures. At closing or prior to closing, Seller shall provide for payment of, satisfaction of, or release of any existing liens, claims, or encumbrances on the fixtures.

4.0 PURCHASE PRICE, ADDITIONAL PAYMENTS, DEPOSIT AND EXPENSES

4.1 Purchase Price and terms.

The price for the Real Property is

One-hundred Twenty-five Thousand and No/100 Dollars (\$125,000.00),

which Buyer shall pay as follows:

- (i) Earnest money of **\$12,500.00**, the “**Earnest Money**,” by cash or electronic funds transfer delivered to Seller’s lawyer within five (5) days of the Effective Date hereof to be deposited and, except as provided in Section 8.1.B (deposit for Replacement Residence), held in the lawyer’s trust account pending the closing of the sale of the Real Estate hereunder (the “**Closing**”) or refund to Buyer should this Purchase Agreement be terminated;
- (ii) The balance of **\$112,500.00** by cash or electronic funds transfer payable to Seller at Closing (See Section 8.2), subject to increase or decrease in proportion to any costs or expenses attributable to, or benefitting, Seller as provided herein.

4.2 Additional Payments.

In addition to payment of the Purchase Price, Seller’s agreement to sell the Real Property is conditioned upon the receipt of the following amounts, the “**Additional Payments**,” pursuant to the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended, 42 U.S.C. 61, et seq. (the “**Relocation Law**”), as such amounts are determined by Buyer’s Relocation Specialist (Section 6.6) following execution of this Purchase Agreement, without which Seller would not agree to this Purchase Agreement:

- (i) A replacement housing differential payment required under the Relocation Law the “**Replacement Differential Payment**” to purchase a Replacement Residence (See Section 8.1.B); and
- (ii) Reimbursement of incidental expenses such as recording fees, title insurance premiums and appraisal fees, “**Incidental Expenses**”; and
- (iii) Reimbursement for increased mortgage interest reimbursement representing the difference between Seller’s current financing rate of 5.0% per annum and the finance rate incurred by Seller in connection with the Replacement Residence, the “**Mortgage Interest Reimbursement**,” and
- (iv) Relocation expenses required under the Relocation Law consisting of either (1) a payment for actual reasonable moving and related expenses to a Replacement Residence within 50 miles of the Real Property, or (2) a fixed payment based on the number of rooms that Seller’s occupies and furnishes, the “**Moving Expense Payment**.”

4.3 Adjustments to Purchase Price. Pursuant to Section 8.4, at Closing, the balance of the Purchase Price will be adjusted by amounts owing, or payable, to the Parties pursuant to the terms of this Purchase Agreement.

5.0 **DEFAULT, REMEDIES AND TERMINATION.**

5.1 Termination. This Purchase Agreement may be terminated by a Party upon advance notice (written or electronic) to the other Party in the event:

- (i) any of the obligations or covenants incumbent upon the other Party as set forth in this Purchase Agreement have not been timely performed, satisfied or remedied as provided in Section 5.2; or
- (ii) any of the contingencies benefitting the Party giving notice have not been met. If either Party terminates this Purchase Agreement due to an unmet contingency, then the Earnest Money shall be promptly returned to the Buyer and thereafter neither Party shall have any further rights or obligations under this Purchase Agreement.

5.2 Default and Remedies.

- A. Default Notice and Cure. Time is of the essence of this Agreement. If either Party defaults under this Purchase Agreement, then the other Party shall notify the defaulting Party in writing of the default and specify the requirements to correct the default. The defaulting Party shall have ten (10) days from the date of delivery of the notice to correct the default. If the default is not corrected in that time, the defaulting Party shall be in breach of this Purchase Agreement.
- B. Seller Default. In the event of an uncured breach by the Seller, Buyer may, at its option either (i) terminate this Purchase Agreement by written notice to Seller, in which case Seller shall promptly pay to Buyer any all deposit monies received by Seller and reimburse Buyer for any additional cost or expense incurred by Buyer in reasonable reliance on Seller's Purchase Agreement to sell the Real Property, or (ii) seek to enforce specific performance of Seller's obligations under this Purchase Agreement in any court having jurisdiction, provided, however, that in the event specific performance is unavailable because Seller has sold the Real Property to a third party or conveyed a incompatible easement to a third party, Buyer shall have all remedies available to it under law or at equity.
- C. Buyer Default. If Buyer defaults in performance of its obligations under this agreement, Seller shall have the right to terminate this Agreement in the manner provided by Minn. Stat. Sec. 559.21 and to retain the earnest money as liquidated damages. Such termination of this agreement and receipt of the

earnest money will be the only remedies available to Seller for such default by Buyer, and Buyer will not be liable for damages or specific performance.

6.0 SELLER PROVISIONS

6.1 Seller's Disclosures, Representations and Warranties Regarding the Real Property. Seller represents and warrants that the following are true to the best of Seller's knowledge:

- A. Mechanics' Liens. There is not and has not been any work performed in, on or about the Real Property nor have materials been provided which have not been paid for in full or which could give rise to a mechanics' or materialmen's lien under applicable state law;
- B. Hazardous Materials. There are no hazardous materials, petroleum products, solid wastes or similar materials currently located at, on, in, under or about the Real Property in a manner which violates any applicable state or federal environmental law, statute or regulation, or which requires cleanup or corrective action of any kind under any federal or state environmental law, statute or regulation;
- C. Compliance with Laws.
 - (i) Seller has been notified that the garage structure needs to be improved or removed.
 - (ii) Subject to the preceding, the Real Property is in full compliance with all applicable state and federal environmental laws, statutes or regulations and no notice of any violation, lien, complaint, action, suit, order or other notice with respect to the Real Property is presently outstanding under any applicable state or federal environmental law, statute, or regulation.
- D. Storage Tanks. There are no underground storage tanks on, in or under the Real Property.
- E. Well Disclosure. Seller certifies that Seller does not know of any wells on the Real Property and will so certify on the Deed delivered at closing.
- F. Methamphetamine Disclosure. To the best of Seller's knowledge, methamphetamine production has not occurred on the property.
- G. Sewage Treatment System Disclosure. Seller certifies that sewage generated at the property goes to a facility permitted by the Minnesota Pollution Control Agency (for example, a city or municipal sewer system).
- H. Lead Paint Disclosure. Seller represents that the dwelling was constructed on the Real Property before 1978.

- I. Boundaries; Encroachments:
- (i) Seller has not done any act or allowed any act to be done which has changed or could change the boundaries of the Real Property as set forth in Section 3.1; and
 - (ii) There are no encroachments on the Real Property by any adjoining landowners; and
 - (iii) Seller states, and Buyer acknowledges, that the driveway accessing the Real Property encroaches upon land owned by the State of Minnesota for Interstate 94. Seller represents to Buyer that this encroachment has been continuously used and occupied by Seller and its predecessors in residence at the Real Property in excess of 15 years.
- J. Access. Subject to and excepting the disclosures in Section 6.1.I.(iii):
- (i) The Real Property has access for ingress and egress to a public road or right of way; and
 - (ii) There has been significant construction on Clarence Street and Seller makes no representations whether there are federal, state, local, or private proceedings or efforts to close, restrict, or change any public road or right of way providing access to the Real Property;
- K. Litigation. There is no litigation pending or, threatened against the Real Property to Seller's knowledge, except as may be specified herein; and
- L. Condemnation. There is no condemnation or similar proceeding currently pending or threatened against the Real Property.
- M. No Leases or Sale Agreements. There are no leases affecting the Real Property and Seller has not executed any other contracts for the sale of the Real Property, and there are no existing rights of first refusal or options to purchase the Real Property or any other rights of others that might prevent the consummation of this agreement. Other than Seller, there are no other persons or parties in possession of the Real Property.
- 6.2 Seller's Financial Disclosures, Representations and Warranties: Seller Represents and Warrants as follows:
- A. Real Estate Taxes. The total amount of Real Estate taxes payable in connection with the Real Property payable in 2024 is \$2,650.00, of which amount \$627.06 is attributable to special assessments for services (Garage, Recycling, Storm Sewer, Solid waste, etc.). The first half (\$1,325.00) of the total real estates taxes has been paid. The second half (\$1,325.00) is due and payable October, 15, 2024;

- B. Special Assessments. There are no special assessments against the Real Property which are not shown as existing liens by the public records.
- C. Contract for Deed. The Contract for Deed is in full force and neither Seller nor, to the best knowledge of Seller, any other party to the Contract for Deed is in default under such contract.
- D. Bankruptcy; Creditors. Seller has not:
- (i) made a general assignment for the benefit of creditors;
 - (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Seller's creditors;
 - (iii) suffered the appointment of a receiver to take possession of all or substantially all of Seller's assets;
 - (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Seller's assets;
 - (v) admitted in writing its inability to pay its debts as they come due; or
 - (vi) made an offer of settlement, extension or compensation to its creditors generally.
- D. Blocked Person. Seller is not a "**foreign person**" as contemplated by Section 1445 of the Internal Revenue Code. Neither Seller nor any of its affiliates is a person or entity with whom U.S. persons or entities are restricted or prohibited from doing business under any laws, orders, statutes, regulations or other governmental action relating to terrorism or money laundering (including Executive Order No. 13224 effective September 24, 2001, and regulations of the Office of Foreign Asset Control of the Department of the Treasury) (each, a "**Blocked Person**"), and, to the best of Seller's knowledge, neither Seller nor any of its affiliates engages in any dealings or transactions with any Blocked Person or is otherwise associated with a Blocked Person.
- 6.3 Seller's Covenants In Regard to Continued Maintenance of the Real Property. Until the Closing, or until this Purchase Agreement is terminated pursuant to the terms hereof, Seller covenants and agrees as follows:
- A. Maintenance. Prior to Closing, Seller shall:
- (i) continue to use, occupy, and operate the Real Property consistent with past practice, and shall maintain any improvements, irrigation and drainage ditches, pipelines, fences, wells and other facilities in the condition that exists as of the date of this Purchase Agreement, normal wear and tear excepted;

- (ii) comply and maintain in full force and effect and renew as needed, any licenses or permits;
- (iii) comply in all material respect with all laws applicable to the use, occupancy, or operation of the Real Property; and
- (iv) keep Buyer informed in writing of any significant decisions or developments concerning the Real Property.

B. Compliance with Laws. Seller shall comply in all material respect with all laws applicable to the use, occupancy, or operation of the Real Property.

C. Violations. Seller shall promptly inform Buyer upon receiving any notice or knowledge of any existing or alleged

- (i) violation of or non-conformity with any law, rule or regulation relating to the Real Property, and/or the use, occupancy, or operation thereof, or any restriction, condition, covenant, or Purchase Agreement concerning Seller and which relates to the Real Property, and/or the use, occupancy, or operation thereof;
- (ii) breach of any of the representations and warranties of Seller contained in this Purchase Agreement, or of any of the covenants, terms, and conditions to be complied with, fulfilled, or performed by Seller under this Purchase Agreement; or
- (iii) violation of or default under the Contract for Deed or any leases, licenses, or permits relating to the Real Property.

D. Proscribed Activities. Prior to Closing, Seller shall not do any of the following without Buyer's prior written consent:

- (i) Mortgage, pledge, subject to lien or other encumbrance, or sell or transfer any of the Real Property;
- (ii) Enter into any easement, property lease, or exchange of use arrangements or purchase agreements relating to the Real Property, regardless of value or duration.

6.4. Seller's Covenants Regarding Authority and Indemnification. Seller agrees and covenants as follows:

A. Authority. Seller has full power and authority to execute, deliver, and perform this Purchase Agreement and consummate the transactions contemplated hereunder. Except as disclosed herein, there are no legal, contractual, or other

restrictions upon Seller's right, power, and authority to sell, transfer, assign, and convey all interests in the Real Property to Buyer.

- B. Date-Down to Closing. All representations and warranties of Seller contained in this Purchase Agreement, and all statements, exhibits, and documents, delivered pursuant hereto or in connection with the transaction contemplated hereby, will be accurate and complete as of the date when made and shall be deemed to be made again at and as of the date of Closing, and shall be true and accurate in all respects. If Buyer is aware, prior to Closing, that any such representations and warranties are inaccurate or incomplete, it will have the right, among other remedies, to terminate this Purchase Agreement upon written notice to Seller. Notwithstanding the foregoing, all representations and warranties set forth herein shall survive Closing and shall not be merged in the Deed.
- C. Breach of Representation or Warranty. Seller shall immediately advise Buyer in writing if, subsequent to the date of this Purchase Agreement and prior to the Closing, Seller learns that any of the representations and warranties set forth in this Section 6 are no longer true or correct. In such event (unless Seller elects to cause and does cause the representation and/or warranty to again become true or correct prior to the Closing), Buyer shall have the right to terminate this Purchase Agreement at or prior to the Closing upon written notice to Seller.
- D. Indemnification. Seller agrees to indemnify and hold Buyer harmless from and against any and all liabilities, loss, claims, damage or expense (including reasonable attorneys' fees in defending against claims) arising out of or related to any of the following:
 - (i) the inaccuracy of any of the representations, warranties or covenants made by Seller;
 - (ii) the use, operation or maintenance of the Real Property by Seller prior to closing; or
 - (iii) the post-closing possession of any of the Real Property by Seller.

6.5 Seller's Contingencies.

Notwithstanding anything to the contrary contained herein, Seller's obligation to close the sale of the Real Property to Buyer is contingent upon the following:

- A. Seller successfully and timely obtaining a deed from Vendor conveying the Real Property to Seller as provided in Section 8.1.A; and
- B. Seller successfully and timely identifying, contracting for the purchase of a Replacement Residence as provided in Section 8.1.B; and

- C. Seller receiving the Additional Payments set forth in Section 4.2 in the amount of at least \$~~84,9005,0000~~, to assist with the acquisition of a Replacement Residence.

6.6 Relocation Specialist. The Buyer has contracted with a third-party contractor, SRF, to provide any legally required relocation assistance to the Seller for this transaction. Seller agrees to work with and reasonable cooperate with SRF, at no cost or obligation to Seller, with respect to all matters that pertain to any legally required relocation assistance for this transaction. The parties agree that no part of the purchase price agreed to in the Purchase Agreement is for any statutory required moving expenses or relocation services.

7.0 BUYER'S PROVISIONS

7.1 Buyer's Due Diligence, Inspection and Evaluation.

- A. During a period of thirty (30) days from the Effective Date, the “**Due Diligence Period**,” Buyer shall have the right to complete its due diligence review, investigation, inspection and analysis of the Real Property, which may include, but shall not necessarily be limited to, Buyer's review, investigation and analysis of:
 - (i) the physical condition and location of the Real Property;
 - (ii) the adequacy and suitability of all applicable zoning, property-use requirements and approvals;
 - (iii) such other tests, inspections and evaluations of the Real Property and its operation, including, but not limited to, environmental inspections, as Buyer may deem necessary or desirable in its sole and complete discretion.
- B. In the event that Buyer desires to perform soil or ground water tests on the Real Property, Buyer shall provide Seller three (3) days' advance notice thereof, and supply to Seller, at no cost to Seller, a copy of any reports or results of such tests.
- C. If Buyer reasonably believes that it will not be able to complete its due diligence review of the Real Property during the Due Diligence Period, then Buyer may, upon three (3) banking days advance notice to Seller, extend the Due Diligence Period for up to thirty (30) days. At anytime prior to the expiration of the Due Diligence Period (as the same may be extended), Buyer may terminate this agreement by written notice to Seller to such effect and shall be entitled to the return of its Earnest Money.
- D. Right of Entry; Seller's Cooperation. Buyer and Buyer's employees, agents, attorneys, and contractors shall have the right, at Buyer's sole cost, expense, and

risk, following the Effective Date, to enter upon the Real Property after reasonable notice to Seller and at reasonable times during the Due Diligence Period to perform an inspection of the physical condition of the Real Property (which may include, but shall not be limited to an environmental assessment and, subject to Section 6.1.B, obtaining soil and water samples on and beneath the surface of the Real Property and conducting analyses of such samples) as Buyer's representatives deem necessary, and for any reasonable purpose related to this transaction. Seller shall cooperate with Buyer in obtaining and providing such information, public records, and other materials as Buyer reasonably determines is necessary or useful for completing due diligence activities. Buyer, its successor and assigns, shall (except to the extent caused by Seller) defend, indemnify, and hold Seller, its affiliates, successors and assigns harmless from any and all liabilities, damages, injuries, penalties, suits, costs, and expenses (including actual and reasonable attorney fees) that are directly caused by Buyer's inspection of the Real Property.

7.2 Buyer's Title Review.

- A. Title. Seller shall cooperate in and facilitate any effort by Buyer, at Buyer's sole cost and expense, to obtain a preliminary title insurance commitment (the "**Title Commitment**") showing the status of record title to the Real Property, and any liens, encumbrances and other matters of record, together with copies of all recorded documents listed as exceptions to title on Schedule B-2 of the Commitment or otherwise reflected as exceptions to title on the Title Commitment (collectively, the "**Exception Documents.**")
- B. Abstract. Seller does not possess an abstract of title to the Real Property. If one exists, it is in the possession of Vendor. Seller shall use its best efforts deliver or release the original abstract to a title company or abstract company selected by Buyer. If an abstract document needs to be re-created, is agreed that the cost therefor shall be paid by Buyer. Seller shall also provide Buyer with copies of any licenses or permits allowing Seller access to any portion of the Real Property or by which third parties have access to the Real Property or the right to cross it. Any such oral or written Purchase Agreement provided for herein and any such licenses or permits provided to Buyer shall be included as an Exception Document for purposes of this Purchase Agreement. Buyer shall also have the right to obtain, at its sole cost and expense, a survey, "express map" or equivalent of the Real Property (the "**Survey**").
- C. Buyer's Title Review. Buyer shall have thirty (30) banking days from its receipt of the Title Commitment, Exception Documents and Survey, to object in writing to Seller to such exceptions set forth therein, or to any other matters not of record, including, without limitation, survey-related title objections. Title objections shall be made in writing and shall include a basis for such objections and, where appropriate, a suggested remedy or remedies for such objections. If Buyer does not deliver to Seller written objections within said thirty (30) day period, it shall be deemed Buyer has waived all such objections except for

monetary liens. In no event shall Buyer be required to accept title to the Real Estate subject to existing monetary liens.

- D. Seller's Response. Seller shall promptly undertake best efforts to cure deficiencies and remedy objections within fifteen (15) banking days after receipt of Buyer's title objections. If title is not made marketable within the fifteen (15) day title clearance period, Buyer shall have fifteen (15) banking days thereafter, in its sole and absolute discretion, within which to (a) accept the condition without remedy by Seller; or (b) elect to terminate its obligations under this Purchase Agreement, in which case Deposits shall be returned to Buyer and the Parties shall have no further liability or obligation hereunder. The determination of whether title is satisfactory or a title objection has been cured is committed to the sole discretion of Buyer.
- E. Permitted Exceptions. Any matter (other than monetary liens) that is shown in the Commitment and Exception Documents, and to which Buyer does not object (or to which Buyer so objects but subsequently waives or consents to title insurance over) or which are created, approved or waived by Buyer, shall be a "**Permitted Exception**." Notwithstanding the above, Seller agrees to pay all monetary encumbrances at Closing.
- F. Additional Objection. If, at any time prior to the Closing, Buyer becomes aware of any other restriction, encumbrance on, defect in title to the Real Property, or other matter whether or not in the record title of the Real Property (an "**Additional Objection**"), Buyer shall give Seller written notice of the Additional Objection no later than fifteen (15) calendar days after the date on which Buyer first becomes aware of it, which will be subject to the same rights, requirements, elections and waivers as provided in the foregoing Section 7.2.A.

7.3 Buyer's Representations and Warranties.

Notwithstanding anything herein to the contrary, Buyer warrants and represents to Seller that:

- A. Buyer is a Government. Buyer is a "government" as defined in MN Stat. § 513.54(4) and Seller is not required to make the disclosures set forth in MN. Stat. §§ 513.52 to 513.60.
- B. Authority. Buyer has full power and authority to execute, deliver, and perform this Purchase Agreement and consummate the transaction contemplated hereunder. Buyer's execution of this agreement must be ratified by the Buyer's Board (defined below).
- C. Duly Executed. This Purchase Agreement has been duly executed and delivered by Buyer and constitutes a legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms. Buyer's execution of this agreement must be ratified by the Buyer's Board (defined below).

7.4 Buyer's Contingencies. Buyer's obligation to Close upon the acquisition of the Real Property is contingent upon:

- A. Buyer's conclusion that the character of, and Seller's title to, the Real Property is suitable to Buyer. In the event that Buyer determines that Seller's title to the Real Property is not suitable to convey the title necessary to Buyer, or that the environmental condition of the Real Property is such that acquisition by Buyer is deemed to be inadvisable, or for any other reason that Buyer reasonably deems pertinent, then Buyer may upon notice to Seller prior to expiration of the Due Diligence Period, terminate this Purchase Agreement.
- B. Seller successfully and timely obtains a deed from Vendor conveying the Real Property to Seller as provided in Section 8.1.A; and
- C. Buyer's obligations under this Purchase Agreement are subject to and conditioned upon the advance approval and adoption by the Housing & Redevelopment Authority of the City of Saint Paul Board of Commissioners (the "**Board**"). Buyer anticipates that the Board will consider an approval promptly. If for any reason the Board does not duly adopt an approval of the Purchase Agreement, either Party may terminate this Purchase Agreement by written notice delivered to the other Party and the Earnest Money shall be returned to the Buyer.

8.0 CLOSING: CLOSING DOCUMENTS; CLOSING ADJUSTMENTS; POSSESSION

8.1 Vendor Deed and Replacement Residence.

Seller shall have a period that is the later of forty-five (45) days from the Effective Date or the end of Buyer's Due Diligence Period, if extended, to:

- A. obtain a warranty deed from the Vendor conveying the Property to Seller in substantially the form appended hereto as **Exhibit A**, the "**Vendor's Deed**" to be delivered to Seller either at Closing or held in escrow pending Closing; and
- B. identify and contract for purchase of a replacement home, the "**Replacement Residence.**" Buyer agrees that Seller may use portions of the Earnest Money to secure a Purchase Agreement to purchase the Replacement Residence provided that such Purchase Agreement contains a provision that Seller's purchase of the Replacement Residence is contingent upon the closing of the sale of the Property to Buyer and that failing that, any money deposited by Seller for purchase of the Replacement Residence shall be refunded.

8.2 Closing. The consummation of the purchase of the Real Property shall occur on the first banking day that falls ten days after the latest to occur of the following, the "**Closing Date:**" (i) the last day of Buyer's Due Diligence Period, (ii) the last day of Buyer's Title Review pursuant to Section 7.1, or (iii) the day that Seller or the title

company escrow agent obtains of a warranty deed from Vendor as provided in Section 8.1.A.. The Closing shall occur at the offices of a closing agent selected by Buyer in Ramsey County, Minnesota or at such other alternative location, time or date mutually agreeable to the Parties. At Closing:

- (i) Seller shall execute, acknowledge, where applicable, and deliver to Buyer, or its designees, which designee may include a partnership, corporation, limited liability company, or similar entity with which Buyer is affiliated:
 - (a) a Warranty Deed (the “**Deed**”) conveying a fee title and interest, free and clear of all liens, claims and encumbrances except the Permitted Exceptions allowed by Buyer in substantially the form appended hereto as **Exhibit B**;
 - (b) an affidavit stating that Seller is not a “foreign person” within the meaning of Section 1445 of the Internal Revenue Code of 1986.
 - (c) such affidavits as required by the Title Company and such other documents and certificates as may be required pursuant to this Purchase Agreement or as may be necessary or customary to carry out its obligations under this Purchase Agreement and to close this transaction.
- (ii) Buyer shall pay to Seller the Purchase Price, or any balance thereof, as such amounts are set forth in Section 4.1 .
- (iii) Seller shall receive the Additional Payments as provided in Section 4.2.

8.3 Certificate of Real Estate Value. Between Seller and Buyer, Buyer shall be responsible for completing and filing any certificates of value required by any authority having jurisdiction.

8.4 Closing Adjustments. All reasonable real estate recording and documentary fees payable in connection with the conveyance of the Real Property from Seller to Buyer, closing services such as escrow, delivery and closing fees charged by the closing agent shall be approved and paid by Buyer. However, Buyer shall not be responsible for any deed tax or deed recording fees incurred in connection with Vendor’s conveyance to Seller under the terms of the Contract for Deed. Except as otherwise expressly provided in this Purchase Agreement, each Party shall pay its own fees and expenses, including legal and accounting fees, incurred in the preparation and performance of this Purchase Agreement. Real property taxes, including any deferred or green-acre taxes, real property assessments and any other assessments for the Real Property (collectively “**Taxes**”) are to be paid as follows: Taxes assessed in any year prior to Closing shall be paid 100% by Seller and 0% by Buyer. Taxes for the year of the Closing will be prorated to the date of Closing between Seller and Buyer on the basis of the most recent available assessed evaluation and mil levy information,

which shall be considered a final statement between the Parties. Amounts attributable to Seller's payoff of the Contract for Deed shall be deducted from Seller's proceeds at Closing and paid to Vendor.

8.5. Use and Possession.

Possession of the Real Property shall be delivered at Closing. Notwithstanding the forgoing to the contrary, the Parties agree to allow Seller to remain in possession, free of rent, for up twenty-one (21) days following Closing (after such time the right of possession shall automatically pass to Buyer) if such time is needed to allow Seller time move to the Replacement Residence. During any such period of time, Seller shall pay all utilities used at the Real Property and commit no waste on or to the Real Property, and shall indemnify and hold harmless Buyer from and against any liabilities, damages, or claims that arise in connection with Seller's use and occupancy thereof. If Seller does not vacate the Real Property within such 21 days after Closing, then Seller shall be deemed to be in tenancy-at-will and agrees that daily rent shall accrue in the amount of \$35 per day. This Section 8.5 shall survive Closing and the delivery of the deed.

9.0 RISK OF LOSS; DESTRUCTION, CONDEMNATION:

- 9.1 Risk of Loss. Until the Closing and transfer of possession, risk of loss of the Real Property, ordinary wear and tear excepted, shall be upon the Seller. After the Closing and transfer of possession, such risk shall be upon the Buyer.
- 9.2 Damage & Destruction. Buyer does not intend to use the Real Property as a residence. Accordingly, any damage or destruction of the building(s) as the result of fire, natural disaster, vandalism, accident or any other cause, shall not give rise to a right of Buyer to terminate this Purchase Agreement, except as may be attributable to environmental conditions as set forth in Section 7.4.A. Should Seller receive any insurance proceeds in directly in compensation for the damage or destruction of buildings, the Purchase Price for the Real Property shall be reduced by the amount of such insurance proceeds up to the amount of the Purchase Price. Seller shall be entitled to all insurance proceeds in connection with damage or destruction of personal property and any portion of such proceeds in connection with damage of buildings in excess of the Purchase Price.
- 9.4 Condemnation. If prior to Closing the possession of the Real Property or any of the Buildings or Improvements thereupon are taken, or threatened to be taken, as the result of any eminent domain or condemnation proceeding, Buyer may, at its option, terminate this Purchase Agreement and receive a refund of the Earnest Money, or Close the acquisition and be entitled to any and all compensation awarded as the result of said proceeding up to the amount of the Purchase Price.

10.0 WHOLE AGREEMENT

- 10.1 Broker Compensation and Indemnity. If either Party chooses to work with a broker, then that Party will be responsible for all compensation owed to that broker. Seller represents to Buyer that it has not engaged any broker in connection with the transaction described in this agreement.
- 10.2 Prior Representations and Agreements. All prior representations or previous Purchase Agreements made in the negotiations of this sale have been incorporated herein, and there are no oral Purchase Agreements or representations between Buyer, Seller or their agents to modify the terms and conditions of this Purchase Agreement. Seller and any of Seller's real estate agents, intermediaries or brokers are not authorized to disclose information regarding this conveyance, and terms thereof.
- 10.3 Binding Purchase Agreement. This Purchase Agreement shall inure to the benefit of and be binding upon the Parties and, as applicable, their respective heirs, representatives, successors, and permitted assigns/designees.
- 10.4 Amendment and Waiver. This Purchase Agreement may not be modified or amended, nor may any term or provision be waived or discharged except in writing signed by the Party or Parties against whom such amendment, modification, waiver or discharge is sought to be enforced. The waiver by any Party of any breach by another Party of any provision of this Purchase Agreement shall not constitute or operate as a waiver of any other breach of such provision or of any other provision hereof by such Party, nor shall any failure to enforce any provision operate as a waiver of such provision of any other provision.
- 10.5 Headings. The headings and subheadings contained in this Purchase Agreement are for convenience only and shall not control or effect the meaning, construction or interpretation of any provision hereof.
- 10.6 Governing Law. This Purchase Agreement shall be construed and interpreted in accordance with, and be governed by, the laws of the State of Minnesota.
- 10.7 Notices. Any and all notices and demands by any Party hereto to any other Party, required or desired to be given hereunder shall be in writing and shall be validly given or made only if (a) personally delivered with a receipt obtained from the person receiving the notice, (b) deposited in the United States mail, certified or registered, postage prepaid, return receipt requested, or (c) if made by Federal Express or other similar delivery service keeping records of deliveries and attempted deliveries. Service shall be conclusively deemed made upon receipt if personally delivered, or delivered by mail or delivery service, on the first business day delivery is attempted or upon receipt, whichever is sooner. Any notice or demand to a Party shall be addressed to the addresses contained in Section 1.0 of this Purchase Agreement. The Parties and Closing Agent may change their address for the purpose of receiving notices or demands as herein provided by a written notice given in the manner aforesaid to the others, which notice of change of address shall not become effective, however, until the actual receipt thereof by the others.

- 10.8 Banking Days. Any reference to “**banking days**” herein shall mean any day, other than a Saturday or Sunday, on which commercial banks in the State of Minnesota are open for business.
- 10.9 Survival. All covenants, Purchase Agreements, obligations and undertakings made by Seller and Buyer in or pursuant to this Purchase Agreement shall survive the closing, whether or not so expressed in the immediate context of any such covenant, Purchase Agreement, obligation or undertaking.
- 10.10 Time of the Essence. The Parties agree that time is of the essence in this Purchase Agreement.
- 10.11 Assignment. This Purchase Agreement may not be assigned by Seller.
- 10.12 Electronic Signatures. The parties agree that the electronic signature of a Party to this Purchase Agreement be valid as an original signature of such Party and shall be effective to bind such Party. The parties further agree that any document (including any attachments or exhibits) containing, or to which there is affixed, an electronic signature shall be deemed (i) to be “written” or “in writing,” (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written when printed from electronic files. For purposes hereof, “**electronic signature**” also means a manually signed original signature that is then transmitted by any electronic means, including an electronically scanned and transmitted version (e.g., via PDF) of an original signature. Any Party's failure to produce the original signature of any electronically transmitted signature shall not affect the enforceability of this Purchase Agreement.
- 10.13 Counterparts. Facsimile signatures will be treated as original signatures and this Purchase Agreement may be signed in separate counterparts, which will be treated as one Purchase Agreement.

11.0 SIGNATURES

THE PARTIES HERETO have caused this Purchase Agreement to be executed and effective as of the date first above written:

**BUYER: HOUSING & REDEVELOPMENT AUTHORITY OF
THE CITY OF ST. PAUL, MINNESOTA,**
a public body corporate and politic organized and existing
under the laws of the State of Minnesota

By: _____
Its Executive Director

Approved as to Form:

By: _____
Assistant City Attorney

SELLER:

By _____
DAWN STARR KELLER

EXHIBIT A

(Top 3 inches reserved for recording Data)

WARRANTY DEED

Individual(s) to Individual(s)

eCRV number: **[to be provided by Grantee]**

DEED TAX DUE: \$ **232.90**

DATE

FOR VALUABLE CONSIDERATION, **MARK CEMENSKY and CAROL CEMENSKY**, husband and wife ("**Grantor**"), hereby convey and warrant to **DAWN STARR KELLER**, an unmarried person ("**Grantee**")

real property in **RAMSEY** County, Minnesota, legally described as follows:

Lots 1 and 2, Block 1, Joy's East End Addition, EXCEPT the North 54 feet thereof, Ramsey County, Minnesota, PID 34-29-22-32-0008

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

together with all hereditaments and appurtenances belonging thereto, subject to the following exceptions:

[none]

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

MARK CEMENSKY

CAROL CEMENSKY

EXHIBIT A

State of Minnesota, County of [...]

This instrument was acknowledged before me on [month/day/year], by [insert name and marital status of each Grantor].

(Stamp)

(signature of notarial officer)

Title (and Rank): _____

My commission expires: _____
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:

David S. Drach
Drach Law, PLLC
3234 Rice Street, Suite 2
Little Canada, MN 55126

TAX STATEMENTS FOR THE REAL PROPERTY DESCRIBED IN
THIS INSTRUMENT SHOULD BE SENT TO:

Dawn S. Keller
415 Clarence St.
St. Paul, MN 55106-5817

EXHIBIT B

(Top 3 inches reserved for recording Data)

WARRANTY DEED

Individual(s) to Business Entity

eCRV number: **[to be provided by Grantee]**

DEED TAX DUE: **\$425.00**

DATE:

FOR VALUABLE CONSIDERATION, **DAWN STARR KELLER** (“Grantor”), an unmarried person, hereby conveys and warrants to

HOUSING & REDEVELOPMENT AUTHORITY OF THE CITY OF ST. PAUL, MINNESOTA, a public body corporate and politic organized and existing under the laws of the State of Minnesota, (“Grantee”),

real property in **RAMSEY** County, Minnesota, legally described as follows:

Lots 1 and 2, Block 1, Joy’s East End Addition, EXCEPT the North 54 feet thereof, Ramsey County, Minnesota, PID 34-29-22-32-0008

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

together with all hereditaments and appurtenances belonging thereto, subject to the following exceptions:

[None]

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

DAWN STARR KELLER

State of Minnesota, County of [...]

This instrument was acknowledged before me on [month/day/year], by [insert name and marital status of each Grantor].

(Stamp)

(signature of notarial officer)

Title (and Rank): _____

My commission expires: _____
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:

David S. Drach
Drach Law, PLLC
3234 Rice Street, Suite 2
Little Canada, MN 55126

TAX STATEMENTS FOR THE REAL PROPERTY DESCRIBED IN THIS INSTRUMENT SHOULD BE SENT TO:

> **Grantee to provide**