



CITY OF SAINT PAUL
Melvin Carter, Mayor

*25 West Fourth Street
Saint Paul, MN 55102*

*Telephone: 651-266-6565
Facsimile: 651-266-6549*

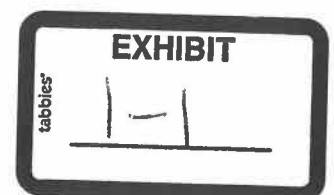
DATE: December 26, 2019
TO: Comprehensive and Neighborhood Planning Committee
FROM: Anton Jerve, Principal Planner, 651-266-6567
RE: Review of Proposed Commercial Development District at the 974 7th Street West

Background

Commercial development districts are designated areas across the city that are outside of Ward specific liquor license limits. Section 17.07.1 of the City Charter defines commercial development districts. Section 17.07.2 includes restrictions on liquor licenses for commercial development districts. Section 409.20 of the Legislative Code describes the process of creating new or amending existing districts. Relevant portions of these sections are excerpted below.

Section 17.07.1. Commercial development districts; patrol limits.

1. A commercial development district in an area within the city as designated herein, or created by the council hereafter in accordance with this section. Six (6) commercial development districts are hereby created, whose names and defined boundaries are indicated on maps attached hereto as Exhibits 1 through 6, which are incorporated and adopted herein by reference. The council may by ordinance create new or additional commercial development districts, or amend the boundaries of those already created, only in accordance with the following procedures:
 - (a) The proposed commercial development district shall be submitted in writing, accompanied by a map setting forth its boundaries; and
 - (b) Reasonable public notice of the proposed commercial development district shall be given by the license inspector to residents and organizations in the ward or wards in which said district is to be located; and
 - (c) The council or a committee thereof shall hold a public hearing in the ward or wards in which said district is to be located; and
 - (d) After the foregoing steps, an ordinance designating the new commercial development district and defining its boundaries is adopted upon the affirmative vote of at least five (5) members of the council.
2. The council may by ordinance adopt additional procedural and substantive requirements for the creation or amendment of commercial development districts.
3. The entire land area in each council ward, which has not been made part of a commercial development district, is a separate liquor patrol limit.



Section 17.07.2. Restrictions.

5. There shall be no limitation on the number of on-sale intoxicating liquor licenses which may be issued or renewed within, or transferred into, a commercial development district, except as set forth in paragraph (6) below. No restriction applicable to such licenses in liquor patrol limits in this section shall apply to such licenses in commercial development districts.
6. Notwithstanding the provisions of any law or this Charter allowing the issuance of on-sale intoxicating liquor license, not more than two hundred fifteen (215) such licenses shall be issued by the city. Priority shall be given, by ordinance, in the issuance of all such licenses first to applicants who purchase an existing business having an "on sale" license with the intent of operating said business at the same location for at least one year thereafter, and then to restaurants capable of seating and servicing meals to not less than one hundred (100) guests at one time and then to hotels having dining rooms capable of seating and serving meals to not less than fifty (50) guests at one time, and thereafter as the council may determine.

Section 409.20 of the Legislative Code:

- (a) Commercial development districts, as defined in section 17.07.1 of the City Charter, may be created or expanded by the filing in the office of the city clerk of a written petition therefor setting forth the boundaries of the expanded district, and containing the written consent of the owners of two-thirds of the several descriptions of real estate situate within the new or area of the expanded district, together with the written consent of the owners of two-thirds of the several descriptions of real estate situated within one hundred (100) feet of the new or expanded district, and after the affirmative vote in favor thereof by at least five (5) members of the city council.
- (b) The city council may waive the requirements for consent signatures if the city council shall determine that a hardship exists therefor, and in such case the council may, on its own, initiate the process of creating or expanding a commercial development district. In such case, the affirmative vote of at least five (5) members of the city council shall be required to create or expand any such district.
- (c) **In all such cases, the planning commission shall be consulted for advice concerning the proposals for consistency with the city's comprehensive plan and zoning ordinances, and the planning commission shall report in writing to the city council its findings and recommendations.**
- (d) Upon receipt of the report of the planning commission, the council's committee designated to hear license matters shall fix a date for public hearing to consider the petition or proposal to create or expand a commercial development district and afford an opportunity to all affected persons to be heard. The city clerk shall cause notice of the hearing to be published once in the official newspaper of the city, and mailed notice thereof shall be given by the department of safety and inspections to all owners of land within the new or area of the expanded district. Published notice and mailed notice shall be made at least twenty (20) days in advance of the public hearing.



On November 13th, 2019, an application was submitted to create a commercial development district for the 974 7th Street West, to allow a potential new bar on the site to apply for an intoxicating liquor

license. This commercial development district is proposed to include this one parcel. The Planning Commission is being consulted for advice concerning the proposal’s consistency with the City’s comprehensive plan and zoning ordinances, as per section 409.20 of the Legislative Code.

The building is the former office of the Fort Road Federation. It is proposed to be a bar with indoor seating for 55 and patio seating for 24 additional people. It will have a small (8’ x 10’) stage showcasing local musicians who will perform for free. It will be open from 2:00 PM to 2:00 AM daily and will also serve snacks and frozen pizza.

Findings

Staff has reviewed the proposed commercial development district and made the following findings:

1. The 974 7th Street West site includes one building on one parcel, as shown on the map in the attached application.
2. The proposed commercial development district is confined to 974 7th Street West.
3. The proposed commercial development district is consistent with the adopted 2030 Saint Paul Comprehensive Plan, which designates the area surrounding around the intersection of West 7th and Randolph and including this site as a Neighborhood Center. The 2030 Comprehensive Plan promotes “Neighborhood Centers as compact, mixed-use communities that provide services and employment close to residences.” (Strategy 1.15).
4. The proposed commercial development district is consistent with the approved 2040 Saint Paul Comprehensive Plan, which designates the area surrounding around the intersection of West 7th and Randolph and including this site as a Neighborhood Node. Neighborhood Nodes promote a mix of land uses including commercial and entertainment (Policy LU-30 through Policy LU-33).
5. The proposed commercial development district is consistent with the West 7th Street/Fort Road District 9 Area Plan, which encourages supporting a node of businesses at the intersection of West 7th and Randolph (Strategy 16; Strategy 49).
6. The proposed commercial development district is consistent with existing zoning. The property is zoned T2, which permits bars and restaurants up to 5,000 sf (the proposed bar will be less than 5,000 sf).

Recommendation

Based on findings 1 through 6, staff recommends support for creating the proposed commercial development district for 974 7th Street West because it is consistent with the Saint Paul Comprehensive Plan and Zoning Code.



city of saint paul
planning commission resolution

file number 20-05

date January 24, 2020

Commercial Development District: 974 7th Street West

WHEREAS, an application has been submitted to the City Council for the creation of a Commercial Development District at 974 7th Street West site pursuant to §17.07.1 of the City Charter and to §409.20 of the Saint Paul Legislative Code, for the purpose of removing the property from restrictions on the number of on-sale intoxicating liquor licenses allowed within the liquor patrol limits; and

WHEREAS, the Department of Safety and Inspections has consulted with the Planning Commission for advice concerning the proposal's consistency with the City's comprehensive plan and zoning ordinance pursuant to §409.20 of the Saint Paul Legislative Code; and

WHEREAS, the Saint Paul Planning Commission has made the following findings of fact:

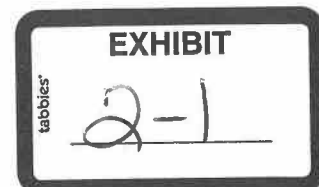
1. The 974 7th Street West site includes one building on one parcel, as shown on the map in the attached application.
2. The proposed commercial development district is confined to 974 7th Street West.
3. The proposed commercial development district is consistent with the adopted 2030 Saint Paul Comprehensive Plan, which designates the area surrounding around the intersection of West 7th and Randolph and including this site as a Neighborhood Center. The 2030 Comprehensive Plan promotes "Neighborhood Centers as compact, mixed use communities that provide services and employment close to residences" (Strategy 1.15).
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5. The proposed commercial development district is consistent with the West 7th Street/Fort Road District 9 Area Plan, which encourages supporting a node of businesses at the intersection of West 7th and Randolph (Strategy 16; Strategy 49).
6. The proposed commercial development district is consistent with existing zoning. The property is zoned T2, which permits bars and restaurants up to 5,000 sf (the proposed bar will be less than 5,000 sf).

moved by Mouacheupao

seconded by _____

in favor Unanimous

against _____



NOW, THEREFORE, BE IT RESOLVED, under provisions of the City Charter §17.07.1 and Legislative Code §409.20, that the Planning Commission hereby reports to the City Council that the proposed Commercial Development District at 974 7th Street West is consistent with the Comprehensive Plan and Zoning Code, and supports creation of the proposed district.



Jarret Oulman turned in a petition to turn 974 W. 7th Street into a Development District to allow full liquor without food service.

The number of possible Signatures – 9

The number of Signatures collected- 6

66.66 % of the total Signatures.

This meets the minimum of at least 2/3 of all eligible properties within 100 feet.

Thank you,
Ross Haddow



Reason for seeking Commercial Development District designation for 974 W 7th

I intend to designate the address at 974 W 7th St as a Commercial Development District in order to establish a business at that location which would offer on sale liquor with no food or entertainment restrictions which exist outside of the commercial development districts.

I intend to open a bar focused on the first level with occupancy/seating of 55 patrons and offer a patio with seating for 24 more. The focus of the business will be the programming of developmental and community based local music and entertainment on a small (8'x10') stage. The business model will not charge for attending, rather be inclusive for patrons and offer the shows for no cover (free). There will be no televisions, rather the stage is the focus.

Presently, This a very underserved activity in Saint Paul, and I believe that we lose many of our younger artists who leave in search of communities that better meet their needs. There are few if any stages in the city that commit to programming artists on a community/development level. I believe that the W 7th community is a great fit for this model because of its established offerings for other aspects of arts and culturally curious communities. I also reside in this community and would like to operate a business in my community.

I will be looking to be open from 2pm until 2am 7 days a week. Food offerings will be available but limited to refrigerated snacks (cheese plates, olives, nuts) and frozen pizzas cooked in underbar pizza ovens.

Thank you

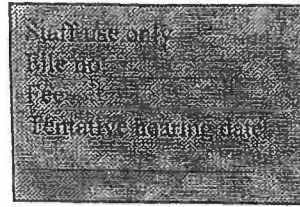
Jarret Oulman
612-669-6915
jarret@amsterdambarandhall.com





**PETITION TO CREATE OR EXPAND
A COMMERCIAL DEVELOPMENT DISTRICT**

City Clerk
Room 170 City Hall
15 West Kellogg Boulevard
Saint Paul, MN 55102
266-8989



APPLICANT

Property Owner Jarrett Dulman
Address 974 West 7th St
City St Paul St. MN Zip 55102 Daytime phone 612 669-6915
Contact person (if different) _____

**PROPERTY
LOCATION**

Address/Location 974 West 7th St
Legal description Lot 3 Block 31 of Thomas Daly's Sub
of Blocks 18, 23, ex 7th St Lots 3 & Lot 4 Blk 31
(attach additional sheet if necessary)

TO THE HONORABLE MAYOR AND CITY COUNCIL:

Pursuant to Section 17.07.1 of the City Charter and to Section 409.20 of the Saint Paul Legislative Code, the owners of property within the proposed new or area of the expanded commercial development district hereby petition you to create or expand a commercial development district to include the above described property for the purpose of removing the property from restrictions on the number of on-sale intoxicating liquor licenses allowed within the liquor patrol limit.

- Required map showing boundaries of proposed district
- Consent petition of owners of property within proposed district
- Consent petition of adjoining property owners
- Affidavit of petitioner
- Affidavit of person circulating consent petition(s)

(attach additional sheet(s) explaining the proposal if necessary)

Subscribed and sworn to
before me this _____ day
of _____, 19__.

By: _____
Fee owner of property

Title: _____

Notary Public

Page 1 of ____



CITY OF SAINT PAUL

CONSENT OF OWNERS OF PROPERTY WITHIN A PROPOSED COMMERCIAL DEVELOPMENT DISTRICT

We, the undersigned, owners of property within the new or area of the expanded commercial development district acknowledge that we have been presented with the following:

1. A copy of the petition of Jarret Oulman
 (name of petitioner)
 to create or expand a commercial development district on property located at 974 W 7th St., along with a map showing the boundaries of the proposed district, for the purpose of removing the property from restrictions on the number of on-sale intoxicating liquor licenses allowed within the liquor patrol limit.

2. A copy of Section 17.07 of the City Charter and Section 409.20 of the Saint Paul Legislative Code; and acknowledge that we are aware that there is no limitation on the number of on-sale intoxicating liquor licenses in a commercial development district, except as set forth in Section 17.07.2(6) of the City Charter. We hereby consent to the petition of:

Jarret Oulman
 (name of petitioner) to create/expand a commercial development district.

We consent to the approval of this commercial development district as it was explained to us by the applicant or his/her representative.

ADDRESS OR PIN#	RECORD OWNER	SIGNATURE	DATE	#
976 7th St. W	Ashley Nichols	Ashley Nichols	10-24-19	
1010 7th St. W.	City of Saint Paul	Mary Elybuck <small>Real Estate Mgr</small>	10/28/19	
972 966 940 7th St W	Larry Kaselle	[Signature]	10/29/19	
630 JAMES AVE	Federick D Brown	Federick D Brown	10-28-19	
974 W. 7th	W. Oulman 2 LLC	[Signature]	10/29/19	
459 Toronto St.	Richard Harnden	RICHARD HARNDEN	11-4-19	

NOTE: The petition shall not be considered as officially filed until the lapse of seven (7) working days after it is received by the City Clerk. Any signator of this petition may withdraw his/her name therefrom by written request within that time.



PETITION TO CREATE OR EXPAND
A COMMERCIAL DEVELOPMENT DISTRICT
AFFIDAVIT OF PETITIONER

STATE OF MINNESOTA)

: SS

COUNTY OF RAMSEY)

The petitioner, Jarret Oulman, being first duly sworn, deposes and states that the consent petition contains signatures from at least two-thirds ($\frac{2}{3}$) of all eligible properties within 100 feet of all property owned, purchased, or sold by petitioner within one (1) year preceding the date of this petition which is contiguous to the property described in the petition; petitioner is informed that the consent petition must contain signatures from each and all owners of jointly-owned property in order to constitute consent from that property and that failure to obtain consent from each and all owners could invalidate the consent petition; petitioner believes that the consent petition was signed by each of said owners and that the signatures are the true and correct signatures of each and all of the parties so described.

Jarret Oulman
NAME

195 Richmond St, st Paul
ADDRESS

612 669-6915
TELEPHONE NUMBER

Subscribed and sworn to before me
this _____ day of _____, 19 _____

NOTARY PUBLIC

Page _____ of _____

Ross Haddon

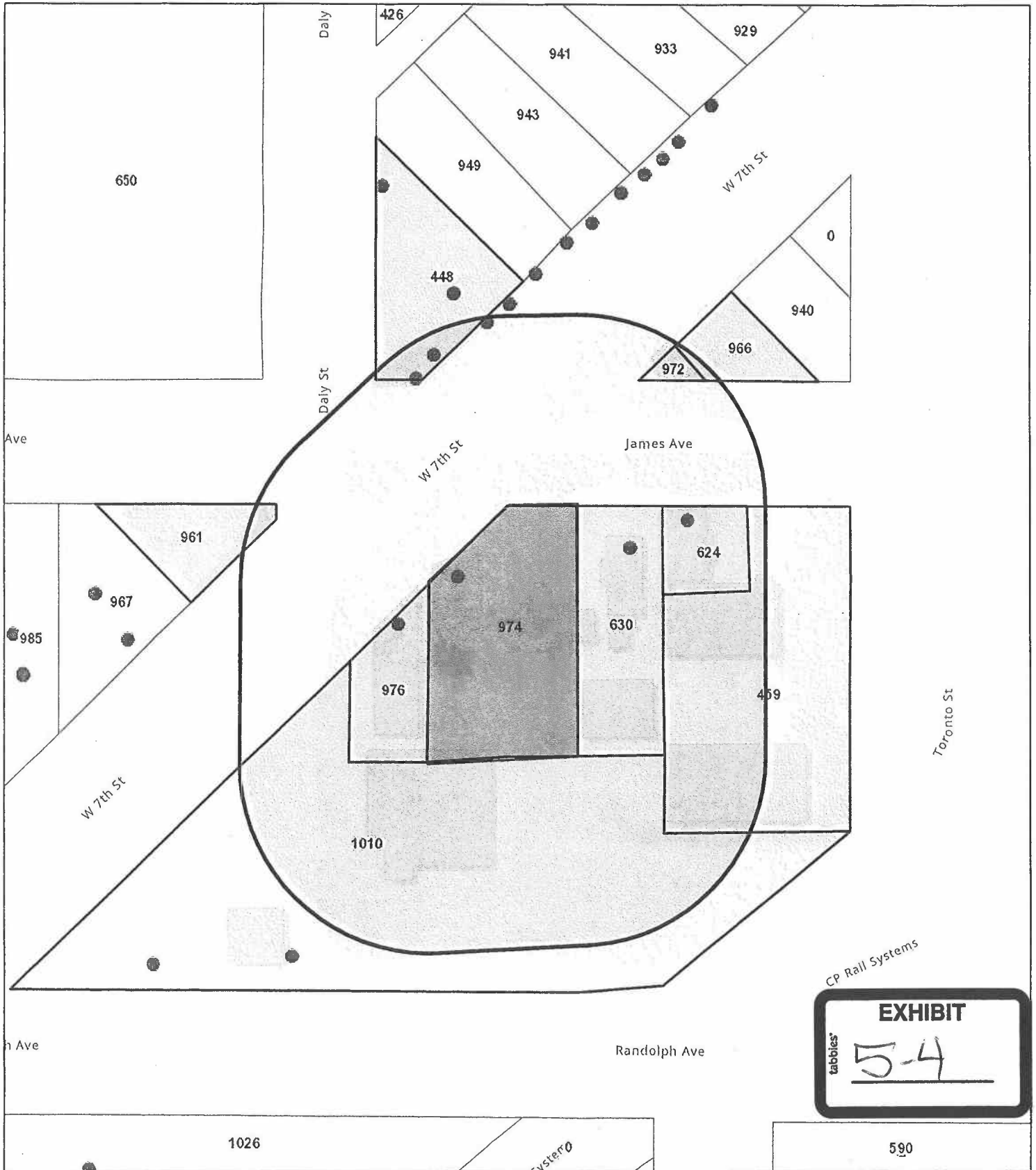
DSI Inspector III / Project Facilitator

8/3/99

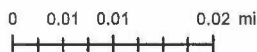


974 7th Street West at 100 Feet Resident Map

10/17/2019 10:55 AM



Saint Paul Minnesota
The most livable city in America



Sources: Esri, Airbus DS, USGS, NGA, NASA, CGIAR, N Robinson, NCEAS, NLS, OS, NMA, Geodastyrelsen, Rijkswaterstaat, GSA, Geoland, FEMA, Intermap and the GIS user community, City of Saint Paul - Public Works

The Geographic Information System (GIS) Data to which this notice is attached are made available pursuant to the Minnesota Government Data Practices Act (Minnesota Statutes Chapter 13). The GIS Data are provided to you "AS IS" and without any warranty as to their performance, merchantability, or fitness for any particular purpose. The GIS Data were developed by the City of Saint Paul for its own internal business purposes. The City of Saint Paul does not represent or warrant that the GIS Data or the data documentation are error-free, complete, current, or accurate. You are responsible for any consequences resulting from your use of the GIS Data or your reliance on the GIS Data. You should consult the data documentation for this particular GIS Data to determine the limitations of the GIS Data and the precision with which the GIS Data may depict distance, direction, location, or other geographic features. If you transmit or provide the GIS Data (or any portion of it) to another user, the GIS Data must include a copy of this disclaimer.

974 7th Street West Residents at 100 Feet

Name	Address	City, State, Zip	PIN
Current Resident	974 7TH ST W	SAINT PAUL MN 55102-3520	1.12823E+11
Current Resident	972 7TH ST W	SAINT PAUL MN 55102-3520	1.12823E+11
Current Resident	448 DALY ST	SAINT PAUL MN 55102-3502	1.12823E+11
Current Resident	961 7TH ST W	SAINT PAUL MN 55102-3519	1.12823E+11
Current Resident	459 TORONTO ST	SAINT PAUL MN 55102-3647	1.22823E+11
Current Resident	966 7TH ST W	SAINT PAUL MN 55102-3502	1.22823E+11
Current Resident	624 JAMES AVE	SAINT PAUL MN 55102-3522	1.22823E+11
Current Resident	976 7TH ST W	SAINT PAUL MN 55102-3520	1.12823E+11
Current Resident	630 JAMES AVE	SAINT PAUL MN 55102-3522	1.12823E+11
Current Resident	1010 7TH ST W	SAINT PAUL MN 55102-1692	1.12823E+11



CITY OF SAINT PAUL

CONSENT OF OWNERS OF PROPERTY WITHIN A PROPOSED COMMERCIAL DEVELOPMENT DISTRICT

We, the undersigned, owners of property within the new or area of the expanded commercial development district acknowledge that we have been presented with the following:

1. A copy of the petition of Jarret Oulman (name of petitioner) to create or expand a commercial development district on property located at 974 W 7th St, along with a map showing the boundaries of the proposed district, for the purpose of removing the property from restrictions on the number of on-sale intoxicating liquor licenses allowed within the liquor patrol limit.

2. A copy of Section 17.07 of the City Charter and Section 409.20 of the Saint Paul Legislative Code; and acknowledge that we are aware that there is no limitation on the number of on-sale intoxicating liquor licenses in a commercial development district, except as set forth in Section 17.07.2(6) of the City Charter. We hereby consent to the petition of:

Jarret Oulman (name of petitioner) to create/expand a commercial development district.

We consent to the approval of this commercial development district as it was explained to us by the applicant or his/her representative.

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976 7th St. W	Ashley Nichols	Ashley Nichols	10-24-19	
1010 7th St. W.	City of Saint Paul	Priscilla [Signature] Real Estate Mgr	10/28/19	
973 Kelb 940 7th St W	Larry Kaselle	[Signature]	10/29/19	
630 JAMES AVE	Federick P Brewer	Federick P Brewer	10-28-19	
974 W. 7 th	W. Oulman 2110	[Signature]	10/29/19	
459 Toronto St.	Richard Harnden	RICHARD HARNDEN	11-4-19	

NOTE: The petition shall not be considered as officially filed until the lapse of seven (7) working days after it is received by the City Clerk. Any signator of this petition may withdraw his/her name therefrom by written request within that time.

EXHIBIT
5-6

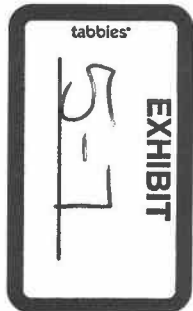
974 7th Street West Residents at 100 Feet

Name	Address	City, State, Zip	PIN
Current Resident	974 7TH ST W	SAINT PAUL MN 55102-3520	1.12823E+11 <i>owner</i>
Current Resident	972 7TH ST W	SAINT PAUL MN 55102-3520	1.12823E+11
Current Resident	448 DALY ST	SAINT PAUL MN 55102-3502	1.12823E+11
Current Resident	961 7TH ST W	SAINT PAUL MN 55102-3519	1.12823E+11
Current Resident	459 TORONTO ST	SAINT PAUL MN 55102-3647	1.22823E+11
Current Resident	966 7TH ST W	SAINT PAUL MN 55102-3502	1.22823E+11
Current Resident	624 JAMES AVE	SAINT PAUL MN 55102-3522	1.22823E+11
Current Resident	976 7TH ST W	SAINT PAUL MN 55102-3520	1.12823E+11
Current Resident	630 JAMES AVE	SAINT PAUL MN 55102-3522	1.12823E+11
Current Resident	1010 7TH ST W	SAINT PAUL MN 55102-1692	1.12823E+11

9 Possible Signatures without owner parcel

5 signatures Received

11/13/19 55.66% of Signatures without owner



STAMP - Ownership / Zoning Information

[New Search](#)

[Help using this report](#)

Run Date: 02/10/20 11:16 AM

House#: 974

Last updated from Ramsey County data on:

Street Name: 7th

Click on "Other Application" links below to access GISmo, MapIT, and Ramsey County Info

974 7th St W - 55102-3520 - [Other Applications](#)

PIN: 112823140191	Census Track: 36900	Census Block: 2019	Council Ward: 2	District Council: 9
Year Built:	Foundation Sq Feet:	Loan Company:	Land Value: 0	Building Value: 0

Unverified Usage: 13- COMMERCIAL/APARTMENT- B- Commercial **ISP:** **Units:** 0

Zoning: B2 / T2

Heritage Preservation: HP Inventory #: RA-SPC-5323 / **HP Property Name:** saloon/apartments / **HP Date Built:** ca. 1887 / **HP Address:** 974 Seventh St. W. (Fort Rd.)

Legal Desc: THOMAS DALY'S SUB OF BLKS18&31 EX 7TH ST LOTS 3 & LOT 4 BLK 31

Owner:

Waterlemon Two Llc
963 7th St W
St Paul MN 55102-3548

Certificate of Occupancy Responsible Party:

West Seventh Fort Road Federation/Ed Johnson
974 Seventh St W
Saint Paul MN 55102



STAMP - Ownership / Zoning Information[New Search](#)[Help using this report](#)**Run Date:** 02/18/20 11:47 AM**House#:** 974**Last updated from Ramsey County data on:****Street Name:** 7TH

Click on "Other Application" links below to access GISmo, MapIT, and Ramsey County Info

974 7th St W - 55102-3520 - [Other Applications](#)**PIN: 112823140191****Census Track:** 36900**Census Block:** 2019**Council Ward:** 2**District Council:** 9**Year Built:****Foundation Sq Feet:****Loan Company:****Land Value: 0 Building Value: 0****Unverified Usage:** 13- COMMERCIAL/APARTMENT- B- Commercial**ISP:****Units: 0****Zoning:** T2 / B2**Heritage Preservation: HP Inventory #:** RA-SPC-5323 / **HP Property Name:** saloon/apartments / **HP Date Built:** ca. 1887 / **HP Address:** 974 Seventh St. W. (Fort Rd.)**Legal Desc:** THOMAS DALY'S SUB OF BLKS18&31 EX 7TH ST LOTS 3 & LOT 4 BLK 31**Owner:**Waterlemon Two Llc
963 7th St W
St Paul MN 55102-3548**Certificate of Occupancy Responsible Party:**West Seventh Fort Road Federation/Ed Johnson
974 Seventh St W
Saint Paul MN 55102

..Title

Amending the Appendix to Chapter 409 of the Legislative Code pursuant to Section 17.07.1 of the Charter and Section 409.20 of the Legislative Code to create an additional commercial development district at 974 7th Street West.

THE COUNCIL OF THE CITY OF SAINT PAUL DOES ORDIAN:

..Body

WHEREAS, an application and supporting documentation, herein incorporated as exhibits 1-1 through 6, was submitted by Jarret Oulman requesting the creation of a Commercial Development District at 974 7th Street West pursuant to §17.07.1 of the City Charter and to § 409.20 of the Saint Paul Legislative Code, for the purpose of removing the property from restrictions on the number of on-sale intoxicating liquor licenses allowed within the liquor patrol limits; and

WHEREAS, after conducting a hearing and considering the application, the Planning Commission supported the creation of the proposed district; and

WHEREAS, a public hearing before City Council was conducted on March 4, 2020, at which all interested parties were given an opportunity to be heard, the Council having considered all the facts and recommendations concerning the application; now therefore

THE COUNCIL OF THE CITY OF SAINT PAUL DOES ORDIAN:

Section 1.

That the 974 7th Street West Commercial Development District, as shown in Exhibit 5-4, which is attached to and incorporated by reference in this ordinance, is hereby created as a commercial development district pursuant to Section 17.07.1 of the Saint Paul City Charter and Section 409.20 of the Saint Paul Legislative Code. The legal description of the 974 7th Street West Commercial Development District is attached as part of Exhibit 6. This district and its legal description shall appear in the Appendix to Chapter 409 of the Saint Paul Legislative Code.

Section 2

The 974 7th Street West Commercial Development District shall be limited to no more than one (1) total liquor license.

Section 3

This ordinance shall be in force and take effect thirty (30) days following its passage, approval and publication.

ADDENDUM TO COMMERCIAL PURCHASE AGREEMENT

This form approved by the Minnesota Association of REALTORS®, which disclaims any liability arising out of use or misuse of this form. © 2019 Minnesota Association of REALTORS®, Edina, MN

1. Date February 3rd, 2020

2. Page 1

3. Addendum to Purchase Agreement between parties, dated October 17th 2019,

4. pertaining to the purchase and sale of the Property at 974 7th Street W

5. Saint Paul MN 55102

6. In the event of a conflict between this Addendum and any other provision of the Purchase Agreement, the language
7. in this Addendum shall govern.

8. Sellers and buyers agree to the following terms below:

9. 1. Purchase agreement shall read throughout Seller is: Waterlemon Two, LLC.

10. 2. Earnest money of \$17,500.00 currently held in sellers broker trust
11. account will be released to the sellers as non-refundable on date of
12. Possession.*

13. 3. Closing shall be on/before 03/03/2020.

14. *Upon signing this Amendment, total earnest money delivered to seller
15. is \$25,000.

19. **SELLER**

BUYER

20. _____
(Business Entity or Individual Name)

(Business Entity or Individual Name)

21. By: Craig Cohen Waterlemon Two LLC
(Seller) 2/3/2020 10:14:26 PM CST

By: [Signature]
(Buyer) 2/3/2020 11:04:24 PM CST

22. Its: _____
(Title)
02/03/2020

Its: _____
(Title)
02/03/2020

23. _____
(Date)

(Date)

24. **SELLER**

BUYER

25. _____
(Business Entity or Individual Name)

(Business Entity or Individual Name)

26. By: _____
(Seller)

By: _____
(Buyer)

27. Its: _____
(Title)

Its: _____
(Title)

28. _____
(Date)

(Date)

29. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).**
30. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**



ADDENDUM TO COMMERCIAL PURCHASE AGREEMENT

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1. Date October 17th, 2019

2. Page 1

3. Addendum to Purchase Agreement between parties, dated October 18th 2019,
4. pertaining to the purchase and sale of the Property at 974 7th Street W
5. Saint Paul MN 55102

6. In the event of a conflict between this Addendum and any other provision of the Purchase Agreement, the language
7. in this Addendum shall govern.

8. All items in this addendum, if in conflict with the purchase agreement, shall supercede purchase agreement.

9. Buyer and Seller agree that 30-days after signing this agreement, Buyer will deposit \$17,500 earnest money in a title company trust account (\$7500 earnest money non-refundable, with additional \$17,500 held in title company trust account.).

10. IN THE EVENT THE BUYER IS UNABLE TO SECURE LENDER FINANCING BY THE DATE
11. OF CLOSING, THE BUYER AND SELLER SHALL SIGN A CONTRACT FOR DEED BASED
ON THE FOLLOWING TERMS:

12. (A) INTEREST RATE OF 8.5%.

13. (B) PAYMENTS OF LOAN BALANCE ARE AMORTIZED OVER 20 YEARS.

14. (C) TERM SHALL BE FOR 6 MONTHS AT THE CONCLUSION OF WHICH A BALLOON
PAYMENT SHALL BE DUE.

15. (D) ALL TERMS ARE SUBJECT TO SELLER'S LENDER APPROVAL.

16. (E) Buyer to provide 15% of sale price down on contract deed (hard money and earnest to apply towards
downpayment).

17. IN THE CASE THAT THIS CONTRACT FOR DEED FINANCING IS NEEDED, BUYER AND
18. SELLER SHALL SIGN A CONTRACT FOR DEED FINANCING ADDENDUM REFLECTIVE OF
19. THE TERMS DICTATED WITHIN THIS AMENDMENT NO LATER THAN JANUARY 14TH,
20. 2019.

21. *This purchase agreement is subject to a 7-day review by both Buyer and Seller.*

22. (F) Buyer to receive full access to the building in the 30 day inspection contingency, with
23. availability to keys. There will be no intrusive testing from buyer.

24. SELLER

24. BUYER

25. Craig Cohen Watermelon Two LLC

(Business Entity or Individual Name)

26. By: Craig Cohen Watermelon Two LLC

(Seller) 10/18/2019 11:28:43 AM CDT

27. Its: _____

(Title)
10/18/2019

28. _____

(Date)

29. SELLER

30. _____

(Business Entity or Individual Name)

31. By: _____

(Seller)

32. Its: _____

(Title)

33. _____

(Date)

(Business Entity or Individual Name)

34. By: [Signature]

(Buyer) 10/19/2019 1:06:34 PM CDT

35. Its: _____

(Title)
10/19/2019

36. _____

(Date)

37. BUYER

38. _____

(Business Entity or Individual Name)

39. By: _____

(Buyer)

40. Its: _____

(Title)

41. _____

(Date)

THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).
IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.





10/8/19

Re: Jarret Oulman
Purchase Offer – 974 W. 7th Street, St. Paul, MN

To Whom It May Concern;

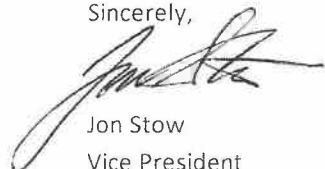
I have met with Jarret Oulman regarding loan financing options for the purchase of the above mentioned property.

Based on Mr. Oulman's preliminary loan application and financial information, he is pre-qualified to enter into a purchase contract for such a property.

This is not a loan approval or commitment by North Star Bank to make such a loan. Final approval is subject to formal underwriting and approval by the bank's respective loan committee to include verification of all relevant financial information, acceptable purchase agreement, acceptable property appraisal and clear title policy.

Please contact me directly with any questions at 651-762-7380.

Sincerely,



Jon Stow
Vice President

This is not a commitment to lend. This letter is intended only as an acknowledgement of preliminary loan application with North Star Bank.





COMMERCIAL PURCHASE AGREEMENT

This form approved by the Minnesota Association of REALTORS® and the Minnesota Commercial Association of REALTORS®, which disclaims any liability arising out of use or misuse of this form. © 2019 Minnesota Association of REALTORS®, Edina, MN

1. Page 1 Date October 17th 2019

2. BUYER(S) is/are: JARRET OULMAN & OR/ASSIGNS, (Check one.)

3. individual(s); OR a business entity organized under the laws of the State of _____.

4. SELLER(S) is/are: _____, (Check one.)

5. individual(s); OR a business entity organized under the laws of the State of _____.

6. Buyer's non-refundable earnest money in the amount of _____

7. Seven Thousand Five Hundred Dollars

8. (\$ 7,500.00) shall be delivered no later than two (2) Business Days after

9. Final Acceptance Date of this Purchase Agreement to be deposited in the Seller's account: (Check one.)

10. listing broker; or

11. Seller's account: _____,

(Trustee)

12. within three (3) Business Days of receipt of the earnest money or Final Acceptance Date of this Purchase Agreement, whichever is later.

14. Said earnest money is part payment for the purchase of property at _____

15. 974 7th St W located in the

16. City/Township of Saint Paul, County of Ramsey,

17. State of Minnesota, Zip Code 55102, PID # (s) 11-28-23-14-0191

18. _____

19. and legally described as follows EX 7TH ST LOTS 3 & LOT 4 BLK 31

20. _____

21. _____ (collectively the "Property")

22. together with the personal property as described in the attached Addendum to Commercial Purchase Agreement:

23. Personal Property, if any, all of which property the undersigned has this day sold to Buyer for the sum of:

24. Four Hundred Eighty-Four Thousand

25. _____

26. (\$ 484,000.00) Dollars ("Purchase Price"), which Buyer agrees to pay in the following manner:

27. 1. **CASH** of 10 percent (%) of the sale price, or more in Buyer's sole discretion, which includes the earnest money; PLUS

29. 2. **FINANCING** of 90 percent (%) of the sale price. Buyer shall, at Buyer's sole expense, apply for any financing as required by this Purchase Agreement.

31. Such financing shall be: (Check one.) a first mortgage; a contract for deed; or a first mortgage with subordinate financing, as described in the attached Addendum to Commercial Purchase Agreement:

33. Conventional/SBA/Other Contract for Deed.

(Check one.)

34. **DUE DILIGENCE:** This Purchase Agreement IS IS NOT subject to a due diligence contingency. (If answer is IS,

_____(Check one.)_____

35. see attached Addendum to Commercial Purchase Agreement: Due Diligence.)

36. **CLOSING:** The date of closing shall be January 15th 2020.

February 3, 2020

Handwritten initials/signature



COMMERCIAL PURCHASE AGREEMENT

37. Page 2 Date October 17th 2019

38. Property located at 974 7th St W Saint Paul MN 55102

39. DEED/MARKETABLE TITLE: Subject to performance by Buyer, Seller agrees to execute and deliver a: (Check one.)

40. [X] WARRANTY DEED [] LIMITED WARRANTY DEED [] CONTRACT FOR DEED

41. [] OTHER: _____ DEED conveying marketable title, subject to:

- 42. (a) building and zoning laws, ordinances, and state and federal regulations;
43. (b) restrictions relating to use or improvement of the Property without effective forfeiture provisions;
44. (c) reservation of any mineral rights by the State of Minnesota or other government entity;
45. (d) utility and drainage easements which do not interfere with existing improvements; and
46. (e) others (must be specified in writing): N/A

48. TENANTS/LEASES: Property [X] IS [] IS NOT subject to rights of tenants (if answer is IS, see attached Addendum

49. to Commercial Purchase Agreement: Due Diligence).

50. Seller shall not execute leases from the Date of this Purchase Agreement to the date of closing, the term of which lease
51. extends beyond the date of closing, without the prior written consent of Buyer. Buyer's consent or denial shall be
52. provided to Seller within 5 days of Seller's written request. Said consent
53. shall not be unreasonably withheld.

54. REAL ESTATE TAXES: Real estate taxes due and payable in the year of closing shall be prorated between Seller and
55. Buyer on a calendar year basis to the actual date of closing unless otherwise provided in this Purchase Agreement.
56. Real estate taxes, including penalties, interest, and any associated fees, payable in the years prior to closing shall be
57. paid by Seller. Real estate taxes payable in the years subsequent to closing shall be paid by Buyer.

58. SPECIAL ASSESSMENTS:

59. [] BUYER AND SELLER SHALL PRORATE AS OF THE DATE OF CLOSING [X] SELLER SHALL PAY

60. on the date of closing all installments of special assessments certified for payment with the real estate taxes due and
61. payable in the year of closing.

62. [] BUYER SHALL ASSUME [X] SELLER SHALL PAY ON DATE OF CLOSING all other special assessments

63. levied as of the Date of this Purchase Agreement.

64. [] BUYER SHALL ASSUME [X] SELLER SHALL PROVIDE FOR PAYMENT OF special assessments pending as

65. of the Date of this Purchase Agreement for improvements that have been ordered by any assessing authorities. (Seller's
66. provision for payment shall be by payment into escrow of up to two (2) times the estimated amount of the assessments
67. or less, as allowed by Buyer's lender.)

68. Buyer shall pay any unpaid special assessments payable in the year following closing and thereafter, the payment of
69. which is not otherwise here provided.

70. As of the Date of this Purchase Agreement, Seller represents that Seller [] HAS [X] HAS NOT received a notice

71. regarding any new improvement project from any assessing authorities, the costs of which project may be assessed
72. against the Property. Any such notice received by Seller after the Date of this Purchase Agreement and before
73. closing shall be provided to Buyer immediately. If such notice is issued after the Date of this Purchase Agreement
74. and on or before the date of closing, then the parties may agree in writing, on or before the date of closing, to pay,
75. provide for the payment of, or assume the special assessments. In the absence of such agreement, either party may
76. declare this Purchase Agreement canceled by written notice to the other party, or licensee representing or assisting the
77. other party, in which case this Purchase Agreement is canceled. If either party declares this Purchase Agreement
78. canceled, Buyer and Seller shall immediately sign a written cancellation of Purchase Agreement confirming said
79. cancellation and directing all earnest money paid here to be refunded to Buyer.



COMMERCIAL PURCHASE AGREEMENT

80. Page 3 Date October 17th 2019

81. Property located at 974 7th St W Saint Paul MN 55102

82. **POSSESSION:** Seller shall deliver possession of the Property: *(Check one.)*

83. **IMMEDIATELY AFTER CLOSING**; or

84. **OTHER:** _____

85. Seller agrees to remove ALL DEBRIS AND ALL PERSONAL PROPERTY NOT INCLUDED HERE from the Property
86. by possession date.

87. **PRORATIONS:** All items customarily prorated and adjusted in connection with the closing of the sale of the Property
88. here including but not limited to rents, operating expenses, interest on any debt assumed by Buyer, shall be prorated
89. as of the date of closing. It shall be assumed that Buyer will own the Property for the entire date of the closing.

90. **RISK OF LOSS:** If there is any loss or damage to the Property between the Final Acceptance Date and the date of
91. closing, for any reason, the risk of loss shall be on Seller. If the Property is destroyed or substantially damaged before
92. the closing, this Purchase Agreement shall be canceled, at Buyer's option, if Buyer gives written notice to Seller, or licensee
93. representing or assisting Seller, of such cancellation within thirty (30) days of the damage. Upon said cancellation,
94. Buyer and Seller shall immediately sign a written cancellation of Purchase Agreement confirming said cancellation and
95. directing all earnest money paid here to be refunded to Buyer.

96. **EXAMINATION OF TITLE:** Seller shall, at its expense, within 30 days after Final
97. Acceptance of this Purchase Agreement, furnish to Buyer, or licensee representing or assisting Buyer, a commitment

98. for an owner's policy of title insurance from COMMERCIAL PARTNERS TITLE, including levied
(Name of Title Company)

99. and pending special assessments. Buyer shall be allowed ten (10) days ("Objection Period") after receipt of the
100. commitment for title insurance to provide Seller, or licensee representing or assisting Seller, with written objections.
101. Buyer shall be deemed to have waived any title objections not made within the Objection Period provided for immediately
102. above and any matters with respect to which title objection is so waived may be excepted from the warranties in the
103. Deed as specified here to be delivered pursuant to this Agreement.

104. **TITLE CORRECTIONS AND REMEDIES:** Seller shall have thirty (30) days ("Cure Period") from receipt of Buyer's
105. written title objections to cure any title objections but shall not be obligated to do so. Upon receipt of Buyer's title
106. objections, Seller shall, within ten (10) days, notify Buyer, or licensee representing or assisting Buyer, in writing whether
107. or not Seller will endeavor to cure such objections within the Cure Period. Liens or encumbrances for liquidated amounts
108. created by instruments executed by Seller and which can be released by payment proceeds of closing shall not delay
109. the closing.

110. If Seller's notice states that Seller will not endeavor to cure one or more specified objections within the Cure Period,
111. Buyer may, as its sole remedy, within ten (10) days of the sending of such notice by Seller, declare this Purchase
112. Agreement canceled by written notice to Seller, or licensee representing or assisting Seller, in which case this Purchase
113. Agreement is canceled. If Buyer declares this Purchase Agreement canceled, Buyer and Seller shall immediately sign a
114. written cancellation of Purchase Agreement confirming said cancellation and directing all earnest money paid here to
115. be refunded to Buyer. If Buyer does not declare this Purchase Agreement canceled as provided immediately above,
116. Buyer shall be bound to proceed with the closing and to purchase the Property subject to the objections Seller has
117. declined to cure without reduction in the Purchase Price.

118. If Seller's notice states that Seller will endeavor to cure all of the specified objections, or if Seller's notice states that
119. Seller will endeavor to cure some, but not all, of the specified objections and Buyer does not declare this Purchase
120. Agreement canceled as provided above, Seller shall use commercially reasonable efforts to cure the specified objections
121. or those Seller has agreed to endeavor to cure and, pending correction of title, all payment required here and the
122. closing shall be postponed.

123. If Seller, within the Cure Period provided above, corrects the specified objections Seller's notice indicated Seller would
124. endeavor to cure, then upon presentation to Buyer, or licensee representing or assisting Buyer, of documentation
125. establishing that such objections have been cured, the closing shall take place within ten (10) days or on the scheduled
126. closing date, whichever is later.

MNC:PA-3 (8/19)



COMMERCIAL PURCHASE AGREEMENT

127. Page 4 Date October 17th 2019

128. Property located at 974 7th St W Saint Paul MN 55102

129. If Seller, within the Cure Period provided above, does not cure the specified objections which Seller's notice indicated
130. Seller would endeavor to cure, Buyer may, as its sole remedy, declare this Purchase Agreement canceled by written
131. notice to Seller, or licensee representing or assisting Seller, given within five (5) days after the end of the Cure Period,
132. in which case this Purchase Agreement is canceled. Buyer and Seller shall immediately sign a *Cancellation of Purchase*
133. *Agreement* confirming said cancellation and directing all earnest money paid here to be refunded to Buyer. Neither
134. party shall be liable for damages here to the other. In the alternative, Buyer may elect to waive such objections by
135. providing written notice to Seller, or licensee representing or assisting Seller, within such five (5)-day period and accept
136. title subject to such uncured objections, in which event, Buyer shall be bound to proceed with the closing and to purchase
137. the Property subject to the objections Seller has not cured without reduction in the Purchase Price. If neither notice is
138. given by Buyer within such five (5)-day period, Buyer shall be deemed to have elected to waive the objections and to
139. proceed to closing as provided in the immediately preceding sentence.

140. If title is marketable, or is made marketable as provided here, and Buyer defaults in any of the agreements here,
141. Seller, in addition to any other right or remedy available to Seller here, at law or in equity may cancel this Purchase
142. Agreement as provided by either MN Statute 559.21 or MN Statute 559.217, whichever is applicable, and retain all
143. earnest money paid here as liquidated damages.

144. If title is marketable, or is made marketable as provided here, and Seller defaults in any of the agreements here,
145. Buyer may, in addition to any other right or remedy available to Buyer here, seek specific performance within six
146. (6) months after such right of action arises.

147. **REPRESENTATIONS AND WARRANTIES OF SELLER:** The following representations made are to the best
148. of Seller's knowledge.

149. There is no action, litigation, investigation, condemnation, or other proceeding of any kind pending or threatened against
150. Seller or any portion of the Property. In the event Seller becomes aware of any such proceeding prior to closing, Seller
151. will promptly notify Buyer of such proceeding.

152. The Property is in compliance with all applicable provisions of all planning, zoning, and subdivision rules; regulations;
153. and statutes. Seller has obtained all necessary licenses, permits, and approvals necessary for the ownership and
154. operation of the Property.

155. Prior to the closing, payment in full will have been made for all labor, materials, machinery, fixtures, or tools furnished
156. within the 120 days immediately preceding the closing in connection with construction, alteration, or repair of any
157. structure on, or improvement to, the Property.

158. Seller has not received any notice from any governmental authority as to condemnation proceedings, or violation of
159. any law, ordinance, regulation, code, or order affecting the Property. If the Property is subject to restrictive covenants,
160. Seller has not received any notice from any person or authority as to a breach of the covenants. Any such notices
161. received by Seller shall be provided to Buyer immediately.

162. Seller has not executed any options to purchase, rights of first refusal, or any other agreements giving any person or
163. other entity the right to purchase or otherwise acquire any interest in the Property, and Seller is unaware of any options
164. to purchase, rights of first refusal, or other similar rights affecting the Property.

165. The legal description of the real property to be conveyed has been or shall be approved for recording as of the date
166. of closing.

167. If Seller is an organized entity, Seller represents and warrants to Buyer that Seller is duly organized and is in good
168. standing under the laws of the State of Minnesota; that Seller is duly qualified to transact business in the State of
169. Minnesota; that Seller has the requisite organizational power and authority to enter into this Purchase Agreement and
170. the Seller's closing documents signed by it; such documents have been duly authorized by all necessary action on
171. the part of Seller and have been duly executed and delivered; that the execution, delivery, and performance by Seller of
172. such documents do not conflict with or result in a violation of Seller's organizational documents or Bylaws or any judgment,
173. order, or decree of any court or arbiter to which Seller is a party; and that such documents are valid and binding obligations
174. of Seller, and are enforceable in accordance with their terms.

MNC:PA-4 (8/19)



COMMERCIAL PURCHASE AGREEMENT

175. Page 5 Date October 17th 2019

176. Property located at 974 7th St W Saint Paul MN 55102

177. Seller will indemnify Buyer, its successors and assigns, against and will hold Buyer, its successors and assigns, harmless from, any expenses or damages, including reasonable attorneys' fees, that Buyer incurs because of the breach of any of the above representations and warranties, whether such breach is discovered before or after the date of closing.

181. See attached Addendum to Commercial Purchase Agreement: Due Diligence, if any, for additional representations and warranties.

183. REPRESENTATIONS AND WARRANTIES OF BUYER: If Buyer is an organized entity, Buyer represents and warrants to Seller that Buyer is duly organized and is in good standing under the laws of the State of Minnesota; that Buyer is duly qualified to transact business in the State of Minnesota; that Buyer has the requisite organizational power and authority to enter into this Purchase Agreement and the Buyer's closing documents signed by it; such documents have been duly authorized by all necessary action on the part of Buyer and have been duly executed and delivered; that the execution, delivery, and performance by Buyer of such documents do not conflict with or result in a violation of Buyer's organizational documents or Bylaws or any judgment, order, or decree of any court or arbiter to which Buyer is a party; and that such documents are valid and binding obligations of Buyer, and are enforceable in accordance with their terms. Buyer will indemnify Seller, its successors and assigns, against and will hold Seller, its successors and assigns, harmless from, any expenses or damages, including reasonable attorneys' fees, that Seller incurs because of the breach of any of the above representations and warranties, whether such breach is discovered before or after the date of closing.

195. TIME IS OF THE ESSENCE FOR ALL PROVISIONS OF THIS CONTRACT.

196. CALCULATION OF DAYS: Any calculation of days begins on the first day (calendar or Business Days as specified) following the occurrence of the event specified and includes subsequent days (calendar or Business Days as specified) ending at 11:59 P.M. on the last day.

199. BUSINESS DAYS: "Business Days" are days which are not Saturdays, Sundays, or state or federal holidays unless stated elsewhere by the parties in writing.

201. DEFAULT: If Buyer defaults in any of the agreements here, Seller may cancel this Purchase Agreement, and any payments made here, including earnest money, shall be retained by Seller as liquidated damages and Buyer and Seller shall affirm the same by a written cancellation. In the alternative, Seller may seek all other remedies allowed by law.

204. If Buyer defaults in any of the agreements here, Seller may terminate this Purchase Agreement under the provisions of either MN Statute 559.21 or MN Statute 559.217, whichever is applicable.

206. If this Purchase Agreement is not canceled or terminated as provided here, Buyer or Seller may seek actual damages for breach of this Purchase Agreement or specific performance of this Purchase Agreement; and, as to specific performance, such action must be commenced within six (6) months after such right of action arises.

209. SUBJECT TO RIGHTS OF TENANTS, IF ANY, BUYER HAS THE RIGHT TO VIEW THE PROPERTY PRIOR TO CLOSING TO ESTABLISH THAT THE PROPERTY IS IN SUBSTANTIALLY THE SAME CONDITION AS OF THE DATE OF THIS PURCHASE AGREEMENT.

212. METHAMPHETAMINE PRODUCTION DISCLOSURE:

213. (A Methamphetamine Production Disclosure is required by MN Statute 152.0275, Subd. 2 (m).)

214. [X] Seller is not aware of any methamphetamine production that has occurred on the Property.

215. [] Seller is aware that methamphetamine production has occurred on the Property.

216. (See Disclosure Statement: Methamphetamine Production.)

217. NOTICE REGARDING AIRPORT ZONING REGULATIONS: The Property may be in or near an airport safety zone with zoning regulations adopted by the governing body that may affect the Property. Such zoning regulations are filed with the county recorder in each county where the zoned area is located. If you would like to determine if such zoning regulations affect the Property, you should contact the county recorder where the zoned area is located.

221. NOTICE REGARDING PREDATORY OFFENDER INFORMATION: Information regarding the predatory offender registry and persons registered with the predatory offender registry under MN Statute 243.166 may be obtained by contacting the local law enforcement offices in the community where the Property is located or the Minnesota Department of Corrections at (651) 361-7200, or from the Department of Corrections web site at www.corr.state.mn.us.



COMMERCIAL PURCHASE AGREEMENT

226. Page 6 Date October 17th 2019

227. Property located at 974 7th St W Saint Paul MN 55102

228. **DISCLOSURE NOTICE:** If this Purchase Agreement includes a structure used or intended to be used as residential property as defined under MN Statute 513.52, Buyer acknowledges Buyer has received a *Disclosure Statement: Seller's Property Disclosure Statement* or *Disclosure Statement: Seller's Disclosure Alternatives* form.

231. (Check appropriate boxes.)

232. SELLER WARRANTS THAT THE PROPERTY IS EITHER DIRECTLY OR INDIRECTLY CONNECTED TO:

233. CITY SEWER YES NO / CITY WATER YES NO

234. **SUBSURFACE SEWAGE TREATMENT SYSTEM**

235. SELLER DOES DOES NOT KNOW OF A SUBSURFACE SEWAGE TREATMENT SYSTEM ON OR SERVING
----- (Check one.) -----

236. THE PROPERTY. (If answer is **DOES**, and the system does not require a state permit, see *Disclosure Statement: Subsurface Sewage Treatment System*.)

238. **PRIVATE WELL**

238. SELLER DOES DOES NOT KNOW OF A WELL ON OR SERVING THE PROPERTY. (If answer is **DOES** and well
----- (Check one.) -----

240. is located on the Property, see *Disclosure Statement: Well*.)

241. To the best of Seller's knowledge, the Property IS IS NOT in a Special Well Construction Area.
----- (Check one.) -----

242. THIS PURCHASE AGREEMENT IS IS NOT SUBJECT TO AN *ADDENDUM TO PURCHASE AGREEMENT*:
----- (Check one.) -----

243. *SUBSURFACE SEWAGE TREATMENT SYSTEM AND WELL INSPECTION CONTINGENCY.*

244. (If answer is **IS**, see attached *Addendum*.)

245. **IF A WELL OR SUBSURFACE SEWAGE TREATMENT SYSTEM EXISTS ON THE PROPERTY, BUYER HAS RECEIVED A DISCLOSURE STATEMENT: WELL AND/OR A DISCLOSURE STATEMENT: SUBSURFACE SEWAGE TREATMENT SYSTEM.**

248. There IS IS NOT a storage tank located on the Property that is subject to the requirements of MN Statute 116.48.
----- (Check one.) -----

249. (If answer is **IS**, see *Commercial Disclosure Statement: Storage Tank(s)*.)

250.

AGENCY NOTICE

251. David Wickiser
(Licensee) New City Real Estate, Inc.

is Seller's Agent Buyer's Agent Dual Agent Facilitator.
----- (Check one.) -----

252. _____
(Real Estate Company Name)

253. MALEE VANG
(Licensee)

is Seller's Agent Buyer's Agent Dual Agent Facilitator.
----- (Check one.) -----

254. Engel & Volkers Minneapolis Downtown
(Real Estate Company Name)

255. **DUAL AGENCY DISCLOSURE:** Dual agency occurs when one broker or salesperson represents both parties to a transaction, or when two salespersons licensed to the same broker each represent a party to the transaction. Dual agency requires the informed consent of all parties, and means that the broker or salesperson owes the same fiduciary duties to both parties to the transaction. This role limits the level of representation the broker and salespersons can provide, and prohibits them from acting exclusively for either party. In dual agency, confidential information about price, terms, and motivation for pursuing a transaction will be kept confidential unless one party instructs the broker or salesperson in writing to disclose specific information about him or her. Other information will be shared. Dual agents may not advocate for one party to the detriment of the other.



COMMERCIAL PURCHASE AGREEMENT

263. Page 7 Date October 17th 2019

264. Property located at 974 7th St W Saint Paul MN 55102

265. **CONSENT TO DUAL AGENCY**

266. Broker represents both parties involved in the transaction, which creates a dual agency. This means that Broker and

267. its salespersons owe fiduciary duties to both parties. Because the parties may have conflicting interests, Broker and its

268. salespersons are prohibited from advocating exclusively for either party. Broker cannot act as a dual agent in this

269. transaction without the consent of both parties. Both parties acknowledge that

270. (1) confidential information communicated to Broker which regards price, terms, or motivation to buy, sell, or lease will

271. remain confidential unless the parties instruct Broker in writing to disclose this information. Other information will

272. be shared;

273. (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and

274. (3) within the limits of dual agency, Broker and its salesperson will work diligently to facilitate the mechanics of the

275. sale.

276. With the knowledge and understanding of the explanation above, the parties authorize and instruct Broker and its

277. salespersons to act as dual agents in this transaction.

278. **SELLER:** _____ **BUYER:** _____
 (Business Entity or Individual Name) (Business Entity or Individual Name)

279. By: _____ By: _____
 (Seller's Signature) (Buyer's Signature)

280. _____
 (Seller's Printed Name) (Buyer's Printed Name)

281. Its: _____ Its: _____
 (Title) (Title)

282. _____
 (Date) (Date)

283. **SELLER:** _____ **BUYER:** _____
 (Business Entity or Individual Name) (Business Entity or Individual Name)

284. By: _____ By: _____
 (Seller's Signature) (Buyer's Signature)

285. _____
 (Seller's Printed Name) (Buyer's Printed Name)

286. Its: _____ Its: _____
 (Title) (Title)

287. _____
 (Date) (Date)

288. **SUCCESSORS AND ASSIGNS:** All provisions of this Purchase Agreement shall be binding on successors and assigns.

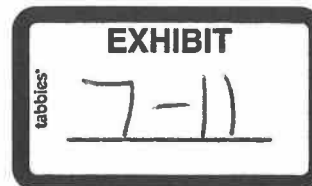
289. **CLOSING COSTS:** Buyer or Seller may be required to pay certain closing costs, which may effectively increase the
290. cash outlay at closing or reduce the proceeds from the sale.

291. **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA"):** Section 1445 of the Internal Revenue Code
292. provides that a transferee ("Buyer") of a United States real property interest must be notified in writing and must withhold
293. tax if the transferor ("Seller") is a foreign person and no exceptions from FIRPTA withholding apply. Buyer and Seller
294. agree to comply with FIRPTA requirements under Section 1445 of the Internal Revenue Code.

295. Seller shall represent and warrant, under the penalties of perjury, whether Seller is a "foreign person" (as the same
296. is defined within FIRPTA), prior to closing. Any representations made by Seller with respect to this issue shall survive
297. the closing and delivery of the deed.

298. Buyer and Seller shall complete, execute, and deliver, on or before closing, any instrument, affidavit, or statement
299. reasonably necessary to comply with the FIRPTA requirements, including delivery of their respective federal taxpayer
300. identification numbers or Social Security numbers.

MNC:PA-7 (8/19)



COMMERCIAL PURCHASE AGREEMENT

301. Page 8 Date October 17th 2019

302. Property located at 974 7th St W Saint Paul MN 55102

303. Due to the complexity and potential risks of failing to comply with FIRPTA, including the Buyer's responsibility for
304. withholding the applicable tax, Buyer and Seller should **seek appropriate legal and tax advice regarding FIRPTA**
305. **compliance, as the respective licensees representing or assisting either party will be unable to assure either**
306. **party whether the transaction is exempt from FIRPTA withholding requirements.**

307. **NOTE:** MN Statute 500.221 establishes certain restrictions on the acquisition of title to agricultural land by aliens and
308. non-American corporations. Please seek appropriate legal advice if this Purchase Agreement is for the sale
309. of agricultural land and Buyer is a foreign person.

310. **ACCEPTANCE DEADLINE:** This offer to purchase, unless accepted sooner, shall be withdrawn at 11:59 P.M.,
311. October 22nd 2019, and in such event all earnest money shall be returned to Buyer.

312. **CONDEMNATION:** If, prior to the closing date, condemnation proceedings are commenced against all or any part
313. of the Property, Seller or licensee representing or assisting Seller, shall immediately give written notice to Buyer, or
314. licensee representing or assisting Buyer, of such fact and Buyer may, at Buyer's option (to be exercised within thirty (30)
315. days after Seller's notice), declare this Purchase Agreement canceled by written notice to Seller or licensee representing
316. or assisting Seller, in which case this Purchase Agreement is canceled and neither party shall have further obligations
317. under this Purchase Agreement. In the event Buyer declares the Purchase Agreement canceled, Buyer and Seller
318. shall immediately sign a written cancellation confirming such cancellation and directing all earnest money paid
319. here to be refunded to Buyer. If Buyer fails to give such written notice, then Buyer shall be bound to proceed with
320. closing, subject to any other contingencies to this Purchase Agreement. In such event, there shall be no reduction in
321. the purchase price, and Seller shall assign to Buyer at the closing date all of Seller's rights, title, and interest in and to
322. any award made or to be made in the condemnation proceedings. Prior to the closing date, Seller shall not designate
323. counsel, appear in, or otherwise act with respect to, the condemnation proceedings without Buyer's prior written consent.

324. **MUTUAL INDEMNIFICATION:** Seller and Buyer agree to indemnify each other against, and hold each other harmless
325. from, all liabilities (including reasonable attorneys' fees in defending against claims) arising out of the ownership,
326. operation, or maintenance of the Property for their respective periods of ownership. Such rights to indemnification will
327. not arise to the extent that (a) the party seeking indemnification actually receives insurance proceeds or other cash
328. payments directly attributable to the liability in question (net of the cost of collection, including reasonable attorneys'
329. fees); or (b) the claim for indemnification arises out of the act or neglect of the party seeking indemnification. If, and
330. to the extent that, the indemnified party has insurance coverage, or the right to make claim against any third party for
331. any amount to be indemnified against, as set forth above, the indemnified party will, upon full performance by the
332. indemnifying party of its indemnification obligations, assign such rights to the indemnifying party or, if such rights are
333. not assignable, the indemnified party will diligently pursue such rights by appropriate legal action or proceeding and
334. assign the recovery and/or right of recovery to the indemnifying party to the extent of the indemnification payable made
335. by such party.

336. **ENTIRE AGREEMENT:** This Purchase Agreement and any addenda or amendments signed by the parties shall
337. constitute the entire agreement between Buyer and Seller. Any other written or oral communication between Buyer and
338. Seller, including, but not limited to, e-mails, text messages, or other electronic communications are not part of this
339. Purchase Agreement. This Purchase Agreement can be modified or canceled only in writing signed by Buyer and
340. Seller or by operation of law. All monetary sums are deemed to be United States currency for purposes of this Purchase
341. Agreement.

342. **ELECTRONIC SIGNATURES:** The parties agree the electronic signature of any party on any document related to this
343. transaction constitute valid, binding signatures.

344. **FINAL ACCEPTANCE:** To be binding, this Purchase Agreement must be fully executed by both parties and a copy
345. must be delivered.

346. **SURVIVAL:** All warranties and representations in this Purchase Agreement shall survive the delivery of the deed or
347. contract for deed and be enforceable after the closing.

348. **DATE OF THIS PURCHASE AGREEMENT:** Date of this Purchase Agreement to be defined as the date on line one
349. (1) of this Purchase Agreement.

MNC:PA-8 (8/19)



COMMERCIAL PURCHASE AGREEMENT

350. Page 9 Date October 17th 2019

351. Property located at 974 7th St W Saint Paul MN 55102

352. OTHER:
353. SELLER AGREES TO PAY ENGEL & VOLKERS MINNEAPOLIS DOWNTOWN a cooperating
354. Buyer's broker commission of 2.5% of the final sales price at closing.

355. ADDENDA: Attached addenda are a part of this Purchase Agreement.

356. [] If checked, this Purchase Agreement is subject to
357. attached Addendum to Commercial Purchase
358. Agreement: Counteroffer.

359. FIRPTA: Seller represents and warrants, under penalty
360. of perjury, that Seller [] IS [x] IS NOT a foreign person (i.e., a
----- (Check one.) -----

361. non-resident alien individual, foreign corporation, foreign
362. partnership, foreign trust, or foreign estate for purposes
363. of income taxation. (See lines 291-309.) This representation
364. and warranty shall survive the closing of the transaction
365. and the delivery of the deed.

366. SELLER

367. Craig Cohen Watermelon Two LLC
(Business Entity or Individual Name)

368. By: Craig Cohen Watermelon Two LLC
(Seller's Signature) 10/18/2019 11:28:35 AM CDT

369. _____
(Seller's Printed Name)

370. Its: _____
(Title)

371. _____
(Date)

372. SELLER

373. _____
(Business Entity or Individual Name)

374. By: _____
(Seller's Signature)

375. _____
(Seller's Printed Name)

376. Its: _____
(Title)

377. _____
(Date)

BUYER

(Business Entity or Individual Name)

By: Jarret Oulman
(Buyer's Signature) 10/17/2019 4:18:49 PM CDT

369. Jarret Oulman
(Buyer's Printed Name)

Its: _____
(Title)
10/17/2019

(Date)

BUYER

(Business Entity or Individual Name)

By: _____
(Buyer's Signature)

(Buyer's Printed Name)

Its: _____
(Title)

(Date)

378. FINAL ACCEPTANCE DATE: _____ The Final Acceptance Date
379. is the date on which the fully executed Purchase Agreement is delivered.

380. THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).
381. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

382. THIS MINNESOTA ASSOCIATION OF REALTORS® COMMERCIAL PURCHASE AGREEMENT IS NOT
383. DESIGNED TO BE AND IS NOT WARRANTED TO BE INCLUSIVE OF ALL ISSUES SELLER AND BUYER
384. MAY WISH TO ADDRESS, AND EITHER PARTY MAY WISH TO MODIFY THIS PURCHASE AGREEMENT
385. TO ADDRESS STATUTORY OR CONTRACTUAL MATTERS NOT CONTAINED IN THIS FORM.

386. BOTH PARTIES ARE ADVISED TO SEEK THE ADVICE OF AN ATTORNEY TO ENSURE
387. THIS CONTRACT ADEQUATELY ADDRESSES THAT PARTY'S RIGHTS.



WIRE FRAUD ALERT



Internet fraud — the use of Internet services or software with Internet access to defraud victims — is on the rise in real estate transactions. **THESE SOPHISTICATED CRIMINALS COULD:**

- **HACK INTO YOUR E-MAIL ACCOUNT** or the e-mail of others involved in your real estate transaction and may direct you to wire money to the hacker's account.
- **SEND FRAUDULENT E-MAILS** that appear to be from your real estate licensee, lender, or closing agent.
- **CALL YOU** claiming they have revised wiring instructions.

Buyers/Tenants and Sellers/Owners are advised to:

- (1) Never wire funds without confirming the wiring instructions directly with the intended recipient.
- (2) Verify that the contact information for the wire transfer recipient is legitimate by calling a known phone number for the broker or closing agent. Do not rely on the information given to you in an e-mail communication.
- (3) Never send personal information through unsecured/unencrypted e-mail.

If you suspect wire fraud in your transaction:

- (1) Immediately notify your bank, closing agent, and real estate licensee.
- (2) File a complaint online at the Internet Crime Complaint Center (IC3) at <http://www.ic3.gov>.

The undersigned acknowledge receipt of this wire fraud alert and understand the importance of taking proactive measures to avoid being a victim of wire fraud in a real estate transaction.

Authentisign
Craig Cohen Watermelon Two LLC
 (Signature) 10/18/2019 11:28:38 AM CDT (Date)

Authentisign
 (Signature) 10/17/2019 4:18:50 PM CDT (Date)

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