

COMMERCIAL PURCHASE AGREEMENT

This Commercial Purchase Agreement ("PURCHASE AGREEMENT") dated this ___ day of January, 2014 ("EFFECTIVE DATE"), is hereby entered into by and between ALICE M. ZIITTEL, an Individual ("SELLER"), of 426 Minnesota Avenue, Roseville, Minnesota, and the BOARD OF WATER COMMISSIONERS FOR THE CITY OF ST. PAUL, a Minnesota municipal corporation under the Laws of the State of Minnesota ("BUYER"), of 1900 Rice Street, St. Paul, Minnesota (Seller and Buyer, collectively, "THE PARTIES").

NOW THEREFORE, IN CONSIDERATION of the mutual promises and agreements made and set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed to by the parties hereto, the parties hereto do hereby contract and agree by and with each other, intending to be legally bound, as follows:

1. EFFECTIVE DATE AND CLOSING DATE(S). That the Effective Date for this Purchase Agreement (as defined above) shall be the date of full execution of this Purchase Agreement by all parties hereto. The Closing Date for this Purchase Agreement (hereafter, the "Closing Date") shall be as defined in Paragraph Twelve (11) below.

2. REAL PROPERTY; SALE PRICE. That Seller does agree to sell, and Buyer does agree to purchase, that Real Property owned by Seller and located at 1958 Rice Street, in the City of Maplewood, County of Ramsey, State of Minnesota, of approximately 13 Acres, which is legally described as set forth on the attached EXHIBIT A (which attachment is incorporated by reference herein), together with all of the Improvements, Structures, and Personal Property located thereon and owned by Seller (all of the aforesaid Real Property, Structures, Improvements, and Personal Property, collectively, "ZIITTEL REAL PROPERTY"), in exchange for Receipt from Buyer of the Sale Price, in full, of the Total Sum of TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000) ("SALE PRICE"), in Cash, which SALE PRICE IS DUE AND PAYABLE TO SELLER, IN FULL, AS OF THE CLOSING DATE.

The parties agree that the Sale Price, shall be paid by Buyer to Seller, in full, into an Escrow Account, on behalf of Seller Alice M. Ziittel, at "Old Republic National Title Insurance Company" in Minneapolis, MN ("OLD REPUBLIC"), as the mutually agreed Closer of this Real Property Sale Transaction, so that said funds are available, in full, on the Closing Date.

3. WARRANTY DEED: MARKETABLE TITLE. That, by the agreement of both Seller and Buyer, prior to the "Closing", Old Republic shall Draft the Warranty Deed ("WARRANTY DEED") used herein, in the proper form and content to comply with the terms of the real property sale herein. Subject to full performance by Buyer, Seller agrees to execute and deliver to Buyer, on the "Closing Date," said Warranty Deed for immediate recording by Old Republic on said date (or as soon as possible thereafter, not to exceed (10) days), conveying good and marketable Title to the Ziittel Real Property from Seller to Buyer, subject only to the following Exceptions:

- a. Building and zoning laws, ordinances, State and Federal regulations;

- b. Restrictions relating to use or improvements of the Ziittel Real Property without effective forfeiture provision;
- c. Reservation of any mineral or mineral rights to the State of Minnesota;
- d. Utility and drainage easements which do not interfere with present improvements;
- e. Rights of Tenants as follows: After December 31, 2013: None.

4. REAL ESTATE TAXES AND ASSESSMENTS. That:

(a) Prior to the Effective Date, Seller has, as to the Ziittel Real Property, been under the Minnesota "Green Acres" Program in accordance with both Minnesota Statutes (as a matter of law) and the Minnesota Department of Revenue (as set forth in its Official Bulletin following the Minnesota Statutes); and,

(b) As a result of the sale of the Ziittel Real Property contemplated herein, and in compliance with said Statutes and Official Bulletin, Seller Alice M. Ziittel shall, at the Closing, pay all deferred real estate taxes due and owing under said Green Acres Program for the Ziittel Real Property for three (3) years prior thereto (all of said Deferred Real Estate Taxes, the "DEFERRED REAL ESTATE TAXES DUE UNDER GREEN ACRES PROGRAM").

(c) All other real estate taxes payable in 2014 shall be pro-rated to the date of Closing. Seller shall pay any delinquent taxes and liens on the property and any outstanding amount(s) shall be withheld from the purchase price. Buyer shall pay all taxes payable beyond 2014.

(d) All real estate assessments payable in 2014 shall be pro-rated to the date of Closing. Seller shall pay any delinquent assessments on the property and any outstanding amount(s) shall be withheld from the purchase price. Seller shall pay all balances on pending and levied capital assessments.

5. "AS IS" CONDITION OF ZIITTEL REAL PROPERTY. That, prior to the Effective Date, Buyer has for several years owned acres of real property adjacent to the Ziittel Real Property being sold herein by Seller to Buyer. As such, Buyer is generally knowledgeable over the past many years of the general use and general condition of the Ziittel Real Property being now sold by Seller to Buyer, including that the Improvements, Structures, and Personal Property thereon are "decades old". By this Sale, Buyer hereby agrees to Purchase, Accept, Take, and Buy, the Ziittel Real Property (expressly including all Improvements, Structures, and Personal Property thereon) in an "AS IS WHERE IS CONDITION" without requiring from Seller any Warranty or Representation relating to said Ziittel Real Property, or to the Improvements, Structures, and Personal Property thereon.

6. GENERAL INFORMATION DOCUMENT. That:

(a) Seller has prepared and shall deliver to Buyer a several-page General Information Document ("GENERAL INFORMATION DOCUMENT") relating to the "Ziittel Real Property".

(b) This General Information Document and the information in it, is for informational purposes only, and is therefore intentionally NOT now or hereafter being attached hereto or incorporated by reference into this Purchase Agreement.

7. EXAMINATION OF TITLE. That:

(a) On or before the Effective Date, Seller shall provide to Buyer (or Buyer's designated title service provider) evidence of good and marketable Title to the Ziittel Real Property, including but not limited to, proper searches covering bankruptcies, state and federal judgments and liens, and levied and pending special assessments, as follows:

(i) ABSTRACT PROPERTY. Seller shall provide a Commitment for an Owner's Policy of Title Insurance on a Current ALTA form issued by an Insurer Licensed to write Title Insurance in Minnesota.

(b) OBJECTION TO TITLE: TIME-FRAME.

(i) Buyer shall have one (1) business day after receipt of the Evidence of Title ("OBJECTION PERIOD") to provide Seller with Written Objections to Title ("OBJECTIONS TO TITLE").

(ii) Buyer shall be deemed to have Waived any Objections to Title not made within the one (1) day Objection Period.

(iii) If Buyer raises any Objections to Title during the Objection Period, then Seller shall use Seller's reasonable best efforts to correct such Objections to Title so made by Buyer.

(iv) In the event Seller has not cured the Objections to Title or is otherwise not able to provide good and marketable Title by the "Closing" date, then the parties may by mutual agreement in writing, declare this Purchase Agreement terminated.

(v) Buyer may Waive any or all Objections to Title or other defects by written notice to Seller at any time.

8. MUTUAL REPRESENTATIONS AND WARRANTIES. That:

(a) EACH PARTY DOES WARRANT AND REPRESENT TO THE OTHER PARTY HERETO, WHICH WARRANTIES AND REPRESENTATIONS ARE RELIED UPON BY THE OTHER, THAT EACH PARTY DOES HAVE, AS TO ITSELF, THE FULL LEGAL RIGHT, TITLE, POWER, AND AUTHORITY, TO MAKE AND ENTER INTO, AND TO FULLY EXECUTE, CLOSE, PERFORM, AND COMPLETE, THIS PURCHASE AGREEMENT AND THE UNDERLYING REAL PROPERTY SALES TRANSACTION HEREIN, ACCORDING TO THE TERMS AND CONDITIONS AS SET FORTH HEREIN.

(b) Seller does Warrant and Represent to Buyer, intending and expecting that Buyer shall fully rely thereon, that Seller has, as the Individual sole owner of the Ziittel Real Property being sold herein, FULL LEGAL RIGHT, TITLE, POWER, AND AUTHORITY TO MAKE AND ENTER INTO, AND TO FULLY EXECUTE, CLOSE, PERFORM, AND COMPLETE, THIS PURCHASE AGREEMENT AND THE UNDERLYING REAL PROPERTY SALES TRANSACTION HEREIN, ACCORDING TO THE TERMS AND CONDITIONS AS SET FORTH HEREIN.

(c) Buyer does Warrant and Represent to Seller, intending and expecting that Seller shall fully rely thereon, that Buyer has, as the Buyer of the Ziittel Real Property being sold herein, FULL LEGAL RIGHT, TITLE, POWER, AND AUTHORITY TO MAKE AND ENTER INTO, AND TO FULLY EXECUTE, CLOSE, PERFORM, AND COMPLETE, THIS PURCHASE AGREEMENT AND THE UNDERLYING REAL PROPERTY SALES TRANSACTION HEREIN, ACCORDING TO THE TERMS AND CONDITIONS AS SET FORTH HEREIN.

9. "BILL OF SALE" FROM SELLER TO BUYER. That:

(a) Prior to the Closing, Seller shall draft a Bill of Sale ("BILL OF SALE") which shall be mutually approved and acceptable in form and content to both Buyer and Seller.

(b) At the Closing, Seller shall execute and deliver said Bill of Sale to Buyer.

(c) Said Bill of Sale shall be a Minnesota Standard Form "Bill of Sale" document whereby Seller:

(i) Irrevocably and unconditionally sells, assigns, transfers, and conveys to Buyer (and Buyer's Successors and Assigns), any and all legal right, title, interest, power, control, ownership, possession, and authority, in, to, and over, any and all Personal Property owned by Seller which is located on, in, or about, the Ziittel Real Property on the Closing; and,

(ii) Warrants and represents, to Buyer, that Seller is, as of the Closing Date, the 100% sole owner of said Personal Property, with full legal right, title, interest, power, control, ownership, possession, and authority, to execute and deliver said "Bill of Sale" to Buyer; and,

(iii) Warrants and represents, to Buyer, that, as of the Closing Date, said Personal Property shall be free and clear of any and all liens or encumbrances against said Personal Property; and,

(iv) INDEMNIFIES AND HOLDS HARMLESS Buyer from and against any present or future legal claims of ownership or other legal rights brought by any third party arising from said Bill of Sale or related to said Personal Property, including for damages (including reasonable attorneys fees).

(d) The parties acknowledge and agree that the Bill of Sale from Seller to Buyer includes only Personal Property solely owned by Seller, and does not include any Personal Property of any tenants or other third parties who may have had Personal Property on the Ziittel Real Property.

10. TIME. That Time is of the Essence for all provisions of this Purchase Agreement.

11. CLOSING DATE, TIME, AND PLACE. That there shall be a Closing Date, held at Old Republic National Title Insurance Company in Minneapolis, MN, as follows: The Closing shall be held on Friday, January 17, 2014, at 10:00 a.m., unless the parties mutually agree to reschedule.

12. FEES, COSTS, CHARGES, AND PAYMENTS PAID TO OLD REPUBLIC BY SELLER. That, at the Closing, Seller shall pay to Old Republic (as the mutually agreed Closer of this Real Property transaction), all outstanding fees, costs, charges, and payments incurred by Old Republic related to the sale of the Ziittel Real Property as contemplated herein, including but not limited to, for:

a) The services rendered by Old Republic for the already-performed "Historical Searches of Documents";

b) The already-performed "Title Commitment" by Old Republic (which established that Seller Alice M. Ziittel is the sole owner in Fee Simple of the 13 Acre Parcel of Real Property being sold herein, and that Seller Alice M. Ziittel must be the sole Grantor of the Warranty Deed to Buyer herein);

c) The Filing and Recording of the Warranty Deed, and all other legal documents required to be recorded related thereto;

d) The Payment of the State Deed Taxes;

13. POSSESSION. That Seller shall deliver Possession of all of the Ziittel Real Property (including all Improvements, Structures, and Personal Property) on the Closing Date.

14. SURVIVAL. That each and all of the Warranties, Representations, and Covenants, in this Purchase Agreement shall survive the Closing Date and shall be legally enforceable after the Closing, by either Party against the other Party hereto.

15. LEGALLY BINDING. That this Purchase Agreement shall be Legally Binding upon the Parties hereto (Seller and Buyer) and also upon Seller's Heirs and Estate, and also upon Buyer's Successors and Assigns.

16. ENTIRE AGREEMENT. That this Purchase Agreement constitutes the Complete Agreement and the Entire Agreement by and between the Parties hereto, and Supersedes any and all prior or oral or written Agreements by and between the Parties hereto regarding the Ziittel Real Property and all issues set forth herein. All previous agreements or understandings, whether oral or written, having been merged herein. There are no Other, or Separate, Verbal, or Oral, Agreements that

Change, or Modify, or Amend, this Purchase Agreement. No modification, amendment, waiver, termination or discharge of this agreement or any provisions thereof shall be binding unless confirmed by a written instrument signed by all of the parties to this agreement. No Waiver of any of the Terms of this Purchase Agreement are, will be, or shall be, effective, or, legally valid or enforceable, unless expressly so stated in writing, and signed and executed by both Parties hereto.

17. MISCELLANEOUS. That this Purchase Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Minnesota applicable to agreements made and to be wholly performed therein. If a court of competent jurisdiction shall for any reason hold any provision of this Purchase Agreement invalid or unenforceable, all other provisions shall continue in full force and effect. The paragraph headings are included solely for the convenience of the parties and shall not be deemed to describe, limit, modify or in any way affect the scope or interpretation of the paragraphs themselves. No waiver of any provision of or default under this Purchase Agreement shall affect either party's rights thereafter to enforce such provision or to exercise any right or remedy in the event of any other similar or dissimilar default.

**SEPARATE SIGNATURE PAGE
OF SELLER
COMMERCIAL PURCHASE AGREEMENT**

IN WITNESS of the foregoing provisions, the Parties hereto have duly signed this Commercial Purchase Agreement on this _____ day of _____, 2014.

SELLER (Alice M. Ziittel)

Name: _____

Its: _____

STATE OF MINNESOTA)
) ss
COUNTY OF Ramsey)

The foregoing instrument was acknowledged before me this ____ day of _____, 2014, by _____, an individual.

Notary Public

**SEPARATE SIGNATURE PAGE
OF BUYER
COMMERCIAL PURCHASE AGREEMENT**

**BOARD OF WATER COMMISSIONERS
OF THE CITY OF SAINT PAUL**

Approved:

By _____ Stephen P. Schneider, General Manager Saint Paul Regional Water Services	By _____ Matt Anfang, President
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By _____
Mollie Gagnelius, Secretary

Approved as to form:

By _____ Assistant City Attorney	By _____ Todd Hurley, Director Office of Financial Services
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STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ____ day of _____, 2014, by Matt Anfang, President, Board of Water Commissioners of the City of Saint Paul, a Minnesota municipal corporation, on behalf of the corporation.

Signature of person taking acknowledgment

STATE OF MINNESOTA)
) ss.
 COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ___ day of _____, 2014, by Mollie Gagnelius, Secretary, Board of Water Commissioners of the City of Saint Paul, a Minnesota municipal corporation, on behalf of the corporation.

 Signature of person taking acknowledgment

STATE OF MINNESOTA)
) ss.
 COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ___ day of _____, 2014, by Todd Hurley, Director, Office of Financial Services, Board of Water Commissioners of the City of Saint Paul, a Minnesota municipal corporation, on behalf of the corporation.

 Signature of person taking acknowledgment

EXHIBIT ALegal Description of Ziittel Real Property**APPLICATION NO.: ORTE740436**

(a) The land referred to in this Commitment is described as follows:

The West 450 feet of the South 183 feet of the Southwest Quarter (SW1/4) of the Northwest Quarter (NW1/4) of Section 18, Township 29, Range 22, except the South 158 feet of the West 150 feet thereof, according to the United States Government Survey thereof and situate in Ramsey County, Minnesota;

The North 117 feet of the South 300 feet of that part of the Southwest Quarter (SW1/4) of the Northwest Quarter (NW1/4) of Section 18, Township 29, Range 22, according to the United States Government Survey thereof and situate in Ramsey County, Minnesota lying West of the railroad right-of-way conveyed in the document filed in 172 deed 467;

The South 183 feet of that part of the Southwest Quarter (SW1/4) of the Northwest Quarter (NW1/4) of Section 18, Township 29, Range 22, according to the United States Government Survey thereof and situate in Ramsey County, Minnesota lying West of the Minneapolis, St. Paul and Sault Ste. Marie Railway Company right-of-way, except the West 450 feet thereof EXCEPTING the following: A parcel of land in NW1/4, Section 18, Township 29, Range 22, more particularly described as follows: Beginning at a point 600 feet East and 33 feet North of West 1/4 corner of Sec. 18, T. 29, R. 22, thence North 27 feet, thence East 305 feet, thence Southwest 30 feet, thence 290 feet West to point of beginning, as shown on the right of way map for project (23-68) filed in the office of the County Engineer of Ramsey County.

The North 375 feet of the South 675 feet of the Southwest 1/4 of the Northwest 1/4 of Section 18, Township 29, Range 22, according to the United States Government Survey thereof and situate in Ramsey County, Minnesota. EXCEPT the following: Commencing at a point on the West line of said Northwest 1/4, 473 feet North of the Southwest corner of the Northwest 1/4 of said Section 18; thence East parallel with the South line of said Northwest 1/4, 152 feet; thence North-parallel with the West line 158 feet; thence West parallel with the South line 10 feet; thence North parallel with the West line 44 feet; thence West parallel with the South line 142 feet; thence South along the West line to beginning, according to the United States Government Survey thereof and situate in Ramsey County, Minnesota;

Abstract Property

1958 Rice Street North, Maplewood, MN 55113-6809