

Vang, Mai (CI-StPaul)

From: Hank Hanten <Hank@travelheadquarters.us>
Sent: Thursday, January 09, 2014 9:53 AM
To: Vang, Mai (CI-StPaul)
Subject: 929 west 7th.
Attachments: 929 W. 7th PA 1.7.14.pdf; VT1412395.PFD.PDF

Good morning Mai.

I have attached a purchase agreement for the property. The buyer is a local contractor who we think is a great fit for the property. I know he has been working with the various city departments in his due diligence. Also I have attached the title commitment.

We are anticipating a closing within 60 days if all goes as planned.

Thanks Mai please contact me with any questions.

Hank

Henry Hanten
HMH of St. Paul Inc.
615 Dominion Dr. Suite 200
Hudson WI 54016
612 961 6755

PURCHASE AGREEMENT

THIS AGREEMENT made and entered into as of this 6th day of January 2014, by and between, Tom Hanten (hereinafter referred to as "Seller") and Andre Stouvenel or an Entity to be formed by Andre Stouvenel , (hereinafter referred to as "Buyer").

WITNESSETH:

WHEREAS, Seller is the owner of all rights, title and interest in and to premises situated at 929 W. 7th St in the city of St. Paul, County of Ramsey, State of Minnesota, Ramsey County PIN # 11.28.23.14.0136 legally described on Exhibit A attached hereto and made a part hereof (hereinafter referred to as "Property");

WHEREAS, Seller desires to sell the Property to Buyer and Buyer desires to purchase the Property in accordance with the terms and conditions as hereinafter set forth.

NOW, THEREFORE, the parties do hereby agree as follows:

1. Purchase Price. The purchase price for the Property to be paid by Buyer to Seller shall be One Hundred and Fifty Thousand and 00/100 (\$150,000.00) U.S. Dollars.
 - A. Two Thousand and 00/100 U.S. Dollars (\$2,000.00) in earnest money. To be deposited in the trust account of Viking Title, Inc., through their Mendota Heights, Minnesota office, within three (3) business days after the execution and delivery of this purchase agreement.
2. Closing. The closing of this transaction shall take place at the offices of Viking Title, Inc., 1250 Northland Dr #150, Mendota Heights, Minnesota, or another to be agreed upon location, on a date selected by Buyer no more than eighty (80) days following the satisfaction or waiver of all of the conditions set forth in paragraphs 5 & 6 hereof, or such other date, time and place as is mutually agreeable to the parties hereto, (hereinafter referred to as "Date of Closing"); provided, however, that the Date of Closing shall occur on or before March 28, 2013.
3. Representations of Seller. Seller, ~~to~~ to the best of Seller's knowledge, does hereby represent to Buyer as follows:
 - A. Seller makes no warranties or representations regarding the property. This sale is "As-Is". The building is considered a Vacant Building per the City of St. Paul. Buyer shall assume all required repairs and responsibility in regards to the City of St. Paul and the "Order to Abate a Nuisance Building"
 - B. Seller at the time of closing shall have, marketable, insurable title to the Property of record, free and clear of all liens, encumbrances, leases, claims, and charges; all material easements, rights-of-way, covenants, conditions and restrictions, and any other matters affecting title thereto, except for such matters as are approved by Buyer in writing, and except those items listed on Schedule B of the Commitment for an Owner's Policy of Title Insurance.

- C. The Property abuts on and has direct vehicular and pedestrian access to a public road.
- D. The conveyance of the Property pursuant hereto will not violate any applicable statute, ordinance, governmental restriction or regulation, or any private restriction or agreement.
- E. There is no litigation pending, or to the best knowledge of Seller, investigation, condemnation or proceeding of any kind threatened against the Seller which may have a material adverse affect upon the Property. Except as disclosed and as provided per the city of St. Paul "Order to Abate a Nuisance Building". Building is a vacant building per the City of St. Paul. Substantial repairs and renovation are required per the City of St. Paul these repairs are to be completed after closing and at the sole expense and responsibility of the buyer.
- F. There are no outstanding or unpaid claims, actions, or causes of action related to any transaction or obligation entered into or incurred by Seller with respect to the Property prior to the date hereof.
- G. Seller has not used the Property for the storage or disposal of any hazardous substance as defined in Minnesota Statutes Section 115B.02, subdivision 8 and Seller's knowledge that no other person has so used the Property; it being understood and agreed that the foregoing representation shall be recited in such recordable instrument as determined by the parties hereto.
- H. Seller is not a "foreign person" (as defined in Section 1445(f) (3) of the Internal Revenue Code and regulations issued thereunder).

Seller hereby agrees that the truthfulness of each of said representations herein made is a condition precedent to the performance by Buyer of Buyer's obligations hereunder; and that the said representations shall be true as of the date hereof and on the Date of Closing. Upon the breach of any thereof, Buyer, prior to the Date of Closing, may declare this Agreement to be null and void, or Buyer may elect to close this sale. If Buyer elects to declare this Agreement null and void, neither party shall have any rights or obligations hereunder, except that all earnest money herein paid shall be promptly refunded to Buyer. Seller shall indemnify Buyer, its successors and assigns, against, and shall hold Buyer, its successors and assigns, harmless from, any costs, expenses or damages of any kind of nature, including reasonable attorneys' fees, which Buyer may incur because of any breach, or claim of breach, of any of the representations herein contained, whether prior to or after the Date of Closing. While Buyer will advise Seller at closing of any breach within Buyer's actual knowledge, consummation of this Agreement by Buyer with knowledge of any such Breach shall not be deemed a waiver or release by Buyer of any claims hereunder due to such breach. All representations and indemnifications herein contained shall survive closing for the benefit of Buyer for a period of one (1) year.

4. Obligations of Seller Prior to Closing. Within Fifteen (15) days of the date hereof, Seller shall deliver to Buyer the following:

- A. A commitment for an owners policy of title insurance as to the Property. The commitment shall be issued in the full amount of the Purchase Price by a title insurance company reasonably satisfactory to Buyer (hereinafter referred to as

"Title Insurer"), by which said company commits to issue its policy of title insurance that:

- (i) Insures that, at closing, Buyer shall have good, marketable and insurable title of record to the Property, free and clear of all liens, encumbrances, leases, claims and charges; all material easements, rights of way, covenants, conditions and restrictions; and any other matters affecting title, except for such as are approved by Buyer in writing and except those items listed on Schedule B of the Commitment for an Owner's Policy of Title Insurance;
- (ii) Insures that the Property, including the improvements thereon, do not violate any zoning or other use restrictions; and
- (iii) Waives of insures against the following standard exceptions: (a) facts which would be disclosed by a comprehensive survey of the Property provided that buyer pays the cost to update the Seller provided survey (if any), (b) rights and claims of parties in possession and (c) mechanic's, contractor's and materialman's liens and lien claims, excepting any of Buyers claims resulting from Buyers activities on the Property.

Buyer shall be allowed fifteen (15) days after receipt thereof for examination of said title commitment and making any objections thereto. Said objections are to be made in writing or are to be deemed to be waived. If any objections are so made, Seller shall be allowed thirty (30) days to make title marketable and Seller shall exercise its best efforts to correct such objections. In the event Seller is unable to eliminate such objections within said period, Buyer shall have the option to either acquire the Property subject to said objections, or to rescind this Agreement, in which latter event the earnest money herein paid shall be immediately refunded to Buyer.

5. Buyers Investigation. It is expressly understood by Seller that, during the term of this Agreement, Buyer intends to undertake preliminary investigation of the Property. The parties hereto covenant and agree relative thereto as follows:

- A. From and after the date hereof, Buyer, and its representatives, shall have the right to enter upon the Property for the purpose of surveying, preparing plats thereof, and making such other physical inspection by architects, environmental assessors and engineers of its choice thereof as Buyer deems necessary or appropriate; provided, however, that in the course of such activities, Buyer shall make no visible improvements to or changes in the Property prior to the Date of closing unless required for closing and at buyer's expense. In the event Buyer fails to close its acquisition of the Property, copies of the foregoing shall be made available to Seller at no cost.
- B. Seller shall join in the execution of any and all documents and instruments which may be required or which may be reasonably requested by buyer in order to obtain all governmental approvals which may be necessary, including environmental assessment worksheets and statements; and Seller shall cooperate

with Buyer in any proceedings, whether before federal, state or local governmental units or agencies.

- C. Buyer shall not suffer or permit any mechanics' liens to attach to or be filed against or upon the Property or any part thereof.
 - D. Buyer hereby agrees to hold Seller harmless from any and all liabilities of whatever nature arising out of Buyer's presence on the Property prior to the Date of Closing. Buyer further agrees to undertake immediately and defend, its sole costs and expense, any such claims or demands, whether for loss of property, injury or death to persons, or of any other nature, upon receipt of notice from Seller that such a demand or claim has been made. Buyer's indemnity shall survive any termination of this Purchase Agreement
6. Conditions Precedent to Closing by Buyer. The obligation of Buyer to close this transaction, at the option of Buyer, shall be subject to each of the conditions precedent:
- A. All of the representations and warranties by Seller contained in paragraph 3 hereof shall be true and correct as of the Date of Closing.
 - B. Seller shall have fully complied with and performed the conditions and agreements on its part required by the terms hereof.
 - C. Buyer shall have obtained all requisite consents or approvals required by any applicable statute, ordinance, governmental restriction or regulation, to permit the zoning and the construction of improvements on the Property in manner satisfactory to Buyer. If Buyer is unable to obtain these consents or permits, Buyer, in its sole discretion, shall cancel this Agreement or waive its right to do so within Twenty One (21) days after execution of this document.
 - D. Buyer shall have the right to an inspection of the Property. If these inspections reveal conditions unsatisfactory to the Buyer, in its sole discretion, the Buyer shall cancel this Agreement or waive its right to do so within Twenty One (21) days after execution of this document.
 - E. Buyer, at Buyers option, may order a Phase I report after execution of this document. After receipt of the Phase I report, if Buyer does not approve of the Phase I Report, at its sole discretion, the Buyer shall cancel this Agreement or waive its right to do so within Twenty One (21) days after the execution of this document.
 - F. Buyer, at Buyer's option, shall have the right to order a Survey. If this review and update reveal conditions unsatisfactory to the Buyer, in its sole discretion, the Buyer shall cancel this Agreement or waive its right to do so within Twenty One (21) days after execution of this document.
 - G. Buyer shall have the right to obtain necessary bank, lender, or owner financing. If Buyer is unable to obtain the financing needed, Buyer, in its sole discretion, shall have the right to cancel this Agreement or waive its right to do so within Twenty One (21) days after execution of this document.

Buyer shall have the right to unilaterally waive any condition herein set forth and proceed to close. In the event Buyer desires to terminate this Agreement by reason of the failure of any one or more of the conditions above set forth, it shall do so by serving written notice thereof upon Seller, which written notice must be received by Seller on or before Twenty One (21) days after the execution of this document. Buyer and Seller may mutually agree to extend the Due Diligence period.

If such notice is not timely received by Seller, the conditions shall be deemed waived. If this notice is timely received, this Agreement shall be null and void and the earnest money herein paid shall be promptly refunded to Buyer by the Title Company.

7. Taxes and Prorations. On the Date of Closing the following prorations shall be made:
 - A. On or before the Date of Closing, Seller shall pay all real estate taxes payable upon the Property in the year prior to the year of closing and prior years.
 - B. All real estate taxes payable in the year of closing shall be prorated as of the Date of Closing.
 - C. Seller shall pay the entire cost for all levied assessments existing as of the date of this agreement including the following but not limited to: the construction of all streets, sidewalks, curb, gutter, storm and sanitary sewers, and water lines to the property line whether such costs are called levied, pending, current, existing or deferred special assessments, hook-up charges or anything else.
 - D. Seller shall pay all state deed tax payable as a result of this transaction.
8. Obligations of Seller at Closing. At closing, Seller shall do the following:
 - A. Deliver to Buyer the Warranty Deed duly executed and acknowledged by Seller, in recordable form, conveying to Buyer good and marketable title to the Property free and clear of all liens, encumbrances, covenants, conditions, restrictions, rights-of-way, easements and any other matters affecting title except for such matters as have been waived by Buyer in writing and those permitted encumbrances noted in the Warranty Deed.
 - B. Deliver to Buyer its Affidavit, duly executed and acknowledged by Seller, in customary form, relative to judgments, federal tax liens, mechanic's liens and outstanding interests in the Property.
 - C. Pay or cause the payment of (i) the commitment for an owners policy of title insurance, one-half (1/2) of any closing fees, (ii) any other sum required to be paid by Seller pursuant to paragraph 7 hereof or any other part of this Agreement.
 - D. Deliver to Buyer a certificate, in form and substance satisfactory to the parties hereto and their counsel, properly executed by Seller containing such information as shall be required by the Internal Revenue Code, and the regulations issued

thereunder, in order to establish that Seller is not a "foreign person" (as defined in Section 1445(f) (3) of such Code and such regulations).

- E. Seller shall pay a brokerage commission of Six Thousand and 00/100 U.S. Dollars (\$6,000.00) to The C. Chase Company for Seller Representation.
9. Obligations of Buyer at Closing. Subject to the full, complete and timely performance by Seller of its obligations hereof, Buyer shall do the following:
- A. Deliver to Seller the balance of the Purchase Price in the manner set forth in paragraph 1B hereof.
 - B. Pay or cause the payment of any sum required to be paid by Buyer pursuant to paragraph 7 hereof or any other part of this Agreement.
 - C. Pay or cause the payment of the cost of the title insurance premium and one-half (1/2) of any closing fees.
10. Right to Nominate. Buyer shall have the right to nominate who shall take title and who shall succeed to Buyer's duties and obligations hereunder, and shall further have the right to assign all or any part of the Buyer's rights hereunder; and from and after such nomination or assignment, upon written notice to Seller, whenever in this Agreement a reference is made to Buyer, such reference shall mean that such nominee or assignee shall succeed to all of the rights, duties and obligations of Buyer hereunder. Buyer's nomination or assignment rights under this paragraph shall be conditioned upon written approval of the Seller which can not be unreasonably withheld or delayed.
11. Foreign Investment in Real Property Tax Act of 1980. In the event (i) Seller is a "foreign person" (as defined in Section 1445(f)(3) of the Internal Revenue Code and regulations issued thereunder), (ii) Seller fails or refuses to deliver a non-foreign certification, or (iii) Buyer receives notice from any Seller-transferor's agent or Buyer-transferee's agent (each as defined in Section 1445(d) of the Internal Revenue Code and the regulations issued thereunder) that, or Buyer has actual knowledge that, the required certification that was delivered is false, Buyer shall deduct and withhold from the Purchase Price an amount of money equal to 10% of the Purchase Price or such additional or lesser sum as shall be required by Section 1445 of the Internal Revenue Code or regulations related thereto. In the event of any such withholding, Seller's obligations hereunder, including but not limited to the delivery of title hereunder, shall not be excused or otherwise affected and Buyer shall remit such amount to and file the required form with the Internal Revenue Service. In the event of any claimed over-withholding Seller shall be limited solely to an action against the Internal Revenue Service for refund, and Seller hereby waives any right of action against Buyer on account of such withholding. The provisions of this paragraph shall survive the Closing.
12. Remedies.
- A. In the event Seller shall fail to consummate the sale of the Property for any reason except the default of Buyer, as Buyer's sole remedy Buyer may enforce specific performance (including bringing suit for the reimbursement of reasonable attorney's fees) of this Agreement within six (6) months from the time

such cause of action arose, or may terminate this purchase agreement and the earnest money will be refunded .

- B. In the event Buyer shall fail to consummate the purchase of the Property for any reason except for the default of Seller or the failure of a condition precedent, Seller may (i) terminate this contract as provided in Minn. Stat. S 559.21, (ii) retain Buyer's earnest money as liquidated damages, (iii) institute an action for specific performance by buyer within six (6) months from the time such cause of action arose, or (iiii) bring suit for damages against Buyer, which damages shall include, but not be limited to, all losses, liabilities, costs and expenses (including reasonable attorney's fees) incurred by Seller.
13. Notices. All notices, demands and requests which may be given or which are required to be given by the party to the other shall be in writing, shall be sent by United States mail, postage prepaid, certified with return receipt requested, as follows:

If to Buyer:

**Andre Stouvenel
75 Bidwell St Ste # D
St. Paul, Minnesota 55107**

If to Seller:

**Tom Hanten
C/O Hank Hanten
816 Dominion Dr.
Hudson, WI 54016**

14. Miscellaneous.

- A. This Agreement shall inure to the benefit of, and be binding upon, the heirs, administrators, successors and assigns of the parties hereto.
- B. All of the representatives and warranties of this Agreement shall survive the closing and shall not merge with the deed.
- C. If any provision of this Agreement is held to be invalid or unenforceable under any applicable law, that holding shall not affect the validity or enforceability of the rest of the Agreement
- D. The parties agree to mutually execute and deliver to each other, at closing, such other and further documents as may be reasonably required by counsel for the parties or Title Insurer, to carry into effect the purposes and intents of this Agreement.
- E. The parties hereto do hereby acknowledge that time is of the essence of each and every term and condition of this Agreement.

F. The seller shall have the right to continue to market the property for sale and receive additional "back up" offers on the property until the date of the closing. Seller shall not enter into any other agreement, prior to the cancellation of this agreement.

15. Acceptance by Seller. This Agreement shall be open for acceptance by Seller until 5:00pm on January 10, 2014. If Buyer has not received Seller's written acceptance hereof by said date, the Agreement shall be null and void and of no further force or effect.

16. Agent Representation. Seller is represented by The C. Chase Company. The Buyer is not represented

17. Inspection Fee. Buyer shall pay the \$550.00 Inspection fee and shall be credited \$550.00 at the time of closing

IN WITNESS WHEREOF, the parties have caused these presents to be executed as of the day and year first above written.

BUYER:

By: Andre Storrer

Its: Andre Storrer

Date: 1-6-2014

SELLER:

By: Thomas A. Hunter

Its: owner

Date: 1.7.14

18. Seller shall deliver the building in "broom clean" condition free and clear of all personal property and waste building materials including construction and other rubbish. Should building not be delivered in broom clean condition. Buyer shall be credited \$6,500.00 at the time of closing.

EXHIBIT A