

MINNESOTA STANDARD RESIDENTIAL PURCHASE AGREEMENT

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BEFORE YOU USE OR SIGN THIS CONTRACT, YOU SHOULD CONSULT WITH A LAWYER TO DETERMINE THAT THIS CONTRACT ADEQUATELY PROTECTS YOUR LEGAL RIGHTS. Minnesota State Bar Association disclaims any liability arising out of use of this form.

1 **1. PARTIES.** This Purchase Agreement is made on October 7, 2019, by and between
 2 William Joseph Stuff
 3 [marital status] a single person
 4 of [seller's address] 489 Sherburne Avenue, Saint Paul, MN 55103, SELLER, and
 5 Hassan Mohamad
 6 ~~as joint tenants in equal parts~~ ~~joint tenants~~ ~~in tenancy in common~~ of [buyer's address] 487 Sherburne Avenue, Saint Paul, MN 55103
 7 _____, BUYER.

8 **2. OFFER/ACCEPTANCE.** Buyer offers to purchase and Seller agrees to sell real property legally described as:
 9 _____
 10 _____
 11 Lot 33, Block 15, Smith's Subdivision of Stinson's Division of the Northwest 1/4 of Section 36, Township 29, Range 23, Ramsey County, Minnesota.

12 _____
 13 _____
 14 _____
 15 _____
 16 [Property Tax Identification Number or Tax Parcel Number 362923240191]

17 located at 489 Sherburne Avenue, City of Saint Paul
 18 County of Ramsey, State of Minnesota, Zip Code 55103

19 **3. ACCEPTANCE DEADLINE.** The acceptance date of this Purchase Agreement is the date it is delivered by the last party signing to the other party.
 20 This offer to purchase, unless accepted sooner, shall be void at 11:59 A.M., on [date] October 15, 2019, and in such event all earnest
 21 money shall be refunded to Buyer.

22 **4. FIXTURES AND PERSONAL PROPERTY.** For the purposes of this Purchase Agreement, "Fixtures" are items that are embedded in the land
 23 and attached to the building(s) and cannot be removed without damage to the real property. The method by which the fixture is "attached" could be
 24 screws, nails, adhesives, or any other mechanical connection which shows Seller's intent to make the item a relatively permanent part of the real estate.
 25 Examples of fixtures are doors and cabinets. "Personal property" includes items that are not attached to the building(s) or embedded in the land and
 26 that are removable without damage to the real property. Examples of personal property are free-standing (not "built in") appliances and furniture. Buyer
 27 and Seller should consider carefully the fixtures and personal property to be included in the sale. For example, a mirror attached to a wall by screws
 28 or nails is a fixture, while a mirror hung from a nail or picture hanger is personal property.

29 **A. FIXTURES INCLUDED IN THE SALE.** Title to fixtures passes to Buyer with the deed. All fixtures except those excluded at B., below, are
 30 included in this sale such as: garden bulbs, plants, shrubs, trees, landscaping, storm windows and inserts, storm doors and inserts, screens,
 31 awnings, window shades, blinds, curtain-traverse-drapery rods, mirrors, door mirrors, cabinets, counter tops, doors, door hardware, mantels,
 32 woodwork, attached lighting fixtures with bulbs, electrical wiring, electric outlets, electric switches, electric outlet plates and switch plates, all plumbing
 33 and piping, plumbing fixtures, sump pumps, water heaters, heating systems, heating stoves, fireplace inserts, fireplace doors and screens, built-in
 34 humidifiers, built-in air conditioning units, built-in electronic air filters, automatic garage door openers with controls, television antennas, satellite
 35 dishes, water softeners, built-in dishwashers, garbage disposals, built-in trash compactors, built-in ovens and cooking stoves, hood-fans, Intercoms,
 36 installed carpeting, built-in work benches, security systems, fences, retaining walls, kennels, gates, survey monuments, culverts, sheds, gazebos,
 37 trellises, underground irrigation systems, weathervanes, lightning rods, flagpoles, light poles and lights, outdoor statuary, pumps, mail boxes, mail
 38 box posts, and newspaper boxes.

39 **B. FIXTURES EXCLUDED FROM THE SALE.** The following fixtures are excluded from this sale and will be removed by Seller prior to closing:
 40 _____
 41 _____
 42 _____
 43 None.

44 _____
 45 _____
 46 Any damage to the real property that occurs in Seller's removal of these fixtures will be repaired by Seller prior to closing.
 47 The following excluded and removed fixtures will be replaced by Seller with a functional equivalent:
 48 _____
 49 None.

50 _____
 51 _____
 52 At closing or prior to closing, Seller shall provide for payment of, satisfaction of, or release of any existing liens, claims, or encumbrances on the fixtures,
 53 except for the following encumbrances which Buyer accepts or assumes [list here]:
 54 Buyer accepts or assumes any existing liens, claims, or encumbrances, known and unknown, on the real property and its fixtures.

55 _____
 56 **C. PERSONAL PROPERTY.** Any personal property to be purchased by Buyer is listed on the attached Personal Property Agreement.

57 **5. PRICE AND TERMS.** The price for the real property is
 58 54 thousand dollars and zero cents Dollars (\$ 50000.00),
 59 which Buyer shall pay as follows:
 60 _____
 61 _____
 62 _____

Handwritten initials and signature:
 JHM
 WJL

Earnest money of \$ 5,000 by [CASH, CHECK, NOTE - state which] CHECK payable to [select one:]

- Seller, to be deposited and held by Seller (and may be commingled with Seller's other funds) pending closing,
Seller's lawyer, to be deposited and held in the lawyer's trust account pending closing,
Seller's broker, to be deposited or held by broker according to the requirements of Minnesota Statutes,
Other [describe how the earnest money will be held] City of St. Paul Department of Safety and Inspections as the performance deposit for the property's rehabilitation,

6. DEED / MARKETABLE TITLE.

A. Upon performance by Buyer, Seller shall execute and deliver a Contact for Deed Warranty Deed, joined in by spouse, if any, conveying good and marketable title of record, subject to the following Title Exceptions:
(1) Building and zoning laws, ordinances, state and federal regulations; and
(2) The lien of real property taxes and the lien of special assessments and interest due thereon, if any, payable in the year of closing which by the terms of this Purchase Agreement are to be paid or assumed by Buyer.

B. Seller proposes to Buyer that Seller's good and marketable title will be delivered to Buyer at closing subject to the following title issues:

[Check (1), if applicable:]

(1) [X] Encumbrances, easements, covenants, conditions, restrictions, a declaration (without an association), and reservation of mineral rights by the State of Minnesota, as disclosed in M.S.B.A. Real Property Form No. 19, ADDENDUM TO PURCHASE AGREEMENT: TITLE ISSUES (2005), attached as a part of this Purchase Agreement.

[Check (2), if applicable:]

(2) [] A Declaration of covenants, conditions, and restrictions with an association in a planned community, condominium, or other common interest ownership community, as disclosed in M.S.B.A. Real Property Form No. 12, ADDENDUM TO PURCHASE AGREEMENT : COMMON INTEREST COMMUNITY attached as a part of this Purchase Agreement.

[Check (3), if applicable:]

(3) [] The rights of tenants or other parties in possession, as disclosed in M.S.B.A. Real Property Form No. 20, ADDENDUM TO PURCHASE AGREEMENT: TENANTS AND PARTIES IN POSSESSION (2005) attached as a part of this Purchase Agreement.

Although Seller has disclosed these title issues and Buyer has indicated a general willingness to take title subject to these title issues, those title issues are subject to the other provisions of the Purchase Agreement and to an examination of title based upon the Minnesota Title Standards and upon Minnesota law.

Buyer also reserves the right to evaluate these title issues in the light of Buyer's intended use and enjoyment of the property. Buyer shall have until the end of the period for stating Title Objections under Paragraph 14., of this Purchase Agreement to make the evaluation and determine if these title issues will affect Buyer's intended use and enjoyment of the property. Except for matters disclosed under B.(2), above, and governed by the statutory remedies referenced in M.S.B.A. Real Property Form No. 12, ADDENDUM TO PURCHASE AGREEMENT: COMMON INTEREST COMMUNITY, if Buyer, in Buyer's sole discretion, determines that these title issues will adversely affect Buyer's intended use and enjoyment of the property, Buyer may declare this Purchase Agreement void by notice to Seller, neither party shall be liable for damages hereunder to the other, and earnest money shall be refunded to Buyer. If the period for stating Title Objections under Paragraph 14., passes without Buyer's declaring that these title issues will adversely affect Buyer's intended use and enjoyment of the property, then, subject to Seller's covenant to deliver a good and marketable title of record, Buyer shall take title subject to these title issues. [Seller should consider full disclosure of all title issues to Buyer in this Purchase Agreement or in addenda to this Purchase Agreement. Full disclosure as to the substance of title issues allows Buyer an early opportunity to ensure that this is the right property for Buyer and to measure the impact on the Buyer's intended use or potential enjoyment of the property. In other words, Buyer's consent to take title subject to the existence of title issues must be a fully informed consent. If Buyer is fully informed early, it is less likely that Buyer will elect to void the Agreement.]

7. REAL ESTATE TAXES AND SPECIAL ASSESSMENTS.

A. Prior Years' Delinquent Real Estate Taxes and Delinquent Special Assessments. Delinquent real estate taxes payable in years prior to the year of closing and delinquent installments of special assessments certified for collection with real estate taxes payable in years prior to the year of closing, together with penalty, interest and costs, shall be paid by Seller not later than the actual date of closing.

B. Real Estate Taxes Payable in the Year of Closing. Real estate taxes payable in the year of closing shall [select from (1) or (2):]

[] (1) Be prorated between Seller and Buyer [select (a) or (b)]:

[] (a) On a calendar year basis to the actual date of closing;

[] (b) As follows: Seller %; Buyer %;

adjusted between Seller and Buyer at closing, and paid to the county at closing if then due and Buyer shall assume installments not paid at closing.

[X] (2) Not be prorated and the entire year's taxes shall be [select (a) or (b)]:

[] (a) Paid by Seller when due, but not later than closing,

[X] (b) Assumed by Buyer, to be paid when due and not later than closing if due prior to closing, and Buyer shall reimburse Seller at closing for any installments paid by Seller prior to closing.

Seller shall pay penalty, interest and costs on any delinquent installment of taxes and special assessments payable in the year of closing. If closing is delayed to a later year, real estate taxes payable in the year of closing shall be prorated between Seller and Buyer on a calendar year basis to the actual date of closing.

C. Tax Statements. If tax statements for taxes payable in the year of closing are not available on the Date of Closing, the amount to be used for closing purposes shall be 100 % of the prior year's taxes, and such amount shall be [select one] [X] FULL AND FINAL BETWEEN SELLER AND BUYER [] ADJUSTED UPON RECEIPT OF TAX STATEMENTS FOR SUCH YEAR (in which case the party obligated to pay the adjustment shall pay it to the other party within 30 days of issuance of the tax statements).

136 **D. Homestead Classification.** Seller represents that, as of the date of this Agreement, the property tax classification is ~~[strike one]~~ homestead
 137 ~~classification~~. If the property is nonhomestead, Buyer may change the tax classification for taxes payable in the year following closing by taking
 138 possession of the real property as Buyer's homestead and filing a new homestead declaration within the time required by law. If the property tax
 139 classification in the year of closing is not homestead, Seller shall pay to Buyer at closing *[select one]*

140 \$0

141 the difference (on Buyer's portion of the taxes) between the taxes in the actual classification and the taxes that would have been payable
 142 under homestead classification.

143 If the property tax classification for taxes payable in the year following closing is not homestead and, through no fault of Buyer, the closing takes
 144 place after the date by which Buyer must take possession of the real property as Buyer's homestead to file for homestead tax status for taxes payable
 145 in such year, Seller shall pay to Buyer at closing *[select one]*

146 \$0

147 the difference (on Buyer's portion of the taxes) between the taxes in the actual classification and the taxes that would have been payable
 148 under homestead classification.

149 *[If Buyer intends to claim the property as Buyer's homestead, Buyer should file Buyer's homestead declaration as soon as possible after taking
 150 possession and occupancy of the property.]*

151 **E. Deferred Real Estate Taxes.** *[select one:]* BUYER SELLER shall pay on date of closing or provide for payment of any deferred
 152 real estate taxes (including "Green Acres" taxes under Minnesota Statutes Section 273.111) payment of which is required as a result of the closing
 153 of this sale or the recording of the Deed or Contract for Deed. Provision for payment shall be by payment into escrow of 1.5 times the estimated
 154 amount of the assessor's reassessment for deferred taxes.
 155

156 **F. Valuation Exclusions from Assessed Value.** Seller warrants and represents that the property *[select one:]* does does not have
 157 an exclusion from estimated market value for certain home improvements pursuant to Minnesota Statutes Section 273.11, Subd. 16 (1997). Such
 158 exclusion expires on the sale of the property and will cause the assessed value of the property to increase for property tax purposes. The increase
 159 in assessed value will cause the property taxes to increase and might make the property unaffordable for Buyer. If Seller represents that the property
 160 does not have an exclusion and an exclusion is discovered prior to closing, Buyer may, at Buyer's option:

- 161 (1) Assume payment of the increased property taxes without adjustment to the purchase price of the real property;
 162 (2) Require that the price of the property be reduced by the estimated increase in property taxes over the three calendar years following the year
 163 of closing (such estimated increase shall be obtained from the county assessor or city assessor); or.
 164 (3) Rescind this Agreement, in which case all earnest money shall be refunded to Buyer.
 165

166 If the exclusion is not discovered until after closing, Seller shall be liable to Buyer for liquidated damages in the amount that is five times the estimated
 167 increase in real estate taxes based on the reassessed value provided that any notice of a claim of breach of warranty must be in writing and must
 168 be given by Buyer to Seller within one year of the Date of Closing or be deemed waived. The provisions of this Paragraph F., shall survive the
 169 delivery of the Deed or Contract for Deed.
 170

171 **G. Certified Special Assessments.** All installments of special assessments certified for payment with the real estate taxes payable in the year of
 172 closing shall be *[select one:]*

- 173 Prorated between Seller and Buyer on a calendar year basis to the actual date of closing, adjusted at closing, and unless otherwise provided
 174 in this Purchase Agreement, shall be paid at closing
 175 Paid by Buyer at closing
 176 Paid by Seller at closing
 177 Assumed by Buyer.
 178

179 **H. Pending Special Assessments.** *[select one:]* BUYER SHALL ASSUME PAYMENT OF SELLER SHALL PROVIDE FOR PAYMENT
 180 OF special assessments pending as of the date of this Purchase Agreement for improvements that have been ordered by the City Council or other
 181 governmental assessing authorities. (Seller's provision for payment shall be by payment into escrow of 1.5 times the estimated amount of the
 182 assessments.) As of the date of this Purchase Agreement, Seller represents that Seller has not received a Notice of Hearing of a new public
 183 improvement project from any governmental assessing authority, the costs of which project may be assessed against the real property. If a special
 184 assessment becomes pending after the date of this Purchase Agreement and before the Date of Closing, Buyer may, at Buyer's option:

- 185 (1) Assume payment of the pending special assessment without adjustment to the purchase price of the real property; or,
 186 (2) Require Seller to pay the pending special assessment (or escrow for payment of same as provided above) and Buyer shall pay a
 187 commensurate increase in the purchase price of the real property, which increase shall be the same as the estimated amount of the
 188 assessment; or,
 189 (3) Rescind this Agreement, in which case all earnest money shall be refunded to Buyer.
 190

191 **I. Deferred Special Assessments.** *[select one:]* BUYER / SELLER shall pay on date of closing or provide for payment of any deferred
 192 special assessments payment of which is required as a result of the closing of this sale or the recording/filing of the Deed or Contract for Deed.
 193 Provision for payment shall be by payment into escrow of 1.5 times the estimated amount of the deferred special assessments.
 194

195 **J. All Other Levied Special Assessments.** *[select one:]* BUYER SHALL ASSUME PAYMENT OF / SELLER SHALL PAY ON DATE
 196 OF CLOSING all other special assessments levied as of the date of this Purchase Agreement, except deferred special assessments (covered at
 197 Paragraph 7.I., above).
 198

199 **K. Taxes and Special Assessments in the Years Following Closing.** Buyer shall pay real estate taxes payable in the years following closing
 200 and special assessments payable therewith, the payment of which is not otherwise provided herein. Seller makes no representation concerning the
 201 amount of future real estate taxes or of future special assessments.
 202

203 **8. DAMAGES TO REAL PROPERTY.** Until completion of closing and delivery of possession, all risk of loss is on Seller. If the real property is
 204 damaged prior to closing, Seller shall give notice to Buyer within 3 business days after such damage has occurred. The notice shall include Seller's
 205 proposal for repairing the damage. From the date that Buyer receives Seller's notice, Buyer shall have 3 business days to inspect the real property,
 206 and an additional 2 business days to determine if the damages and Seller's proposal for repairs are acceptable to Buyer. If Buyer does not accept
 207 Seller's proposals for repairs within the 2 day period, this Agreement is cancelled and the earnest money shall be refunded to Buyer.
 208
 209

210 9. SELLER'S BOUNDARY LINE, ACCESS, RESTRICTIONS AND LIEN WARRANTIES. Seller warrants that buildings, if any, are entirely within the
211 boundary lines of the real property. Seller warrants that there is a right of access to the real property from a public right of way. Seller warrants that
212 there has been no labor or material furnished to the real property for which payment has not been made. Seller warrants that there are no present
213 violations of any restrictions relating to the use or improvement of the real property. Seller warrants that the real property is not subject to a lien for
214 Medical Assistance or other public assistance. These warranties shall survive the delivery of the Deed or Contract for Deed.
215

216 10. CONDITION OF THE REAL PROPERTY.

217 A. Statutory Disclosure. Pursuant to Minnesota Statutes Sections 513.52 - 513.60, Seller must provide a written disclosure [see (1) below], or
218 Buyer must have received an inspection report [see (2) below], or Buyer and Seller may waive the written disclosure requirements [see (3) below].
219

220 Minnesota Statutes Section 513.57, Subd. 2. LIABILITY. A seller who fails to make a disclosure as required by sections 513.52 to 513.60 and was aware
221 of material facts pertaining to the real property is liable to the prospective buyer. A person injured by a violation of this section may bring a civil action and
222 recover damages and receive other equitable relief as determined by the court. An action under this subdivision must be commenced within two years after
223 the date on which the prospective buyer closed the purchase or transfer of the real property.
224

225 [Select only one of these three:]

226 (1) Seller's Disclosure. Seller has provided a written disclosure to Buyer. A copy of Seller's disclosure is attached. Seller shall correct
227 in writing any inaccuracies in the disclosure as soon as reasonably possible before closing.
228

229 Minnesota Statutes Section 513.55. GENERAL DISCLOSURE REQUIREMENTS.

230 Subdivision 1. CONTENTS.

231 (a) Before signing an agreement to sell or transfer residential real property, the seller shall make a written disclosure to the prospective buyer. The
232 disclosure must include all material facts of which the seller is aware that could adversely and significantly affect:
233

- 234 (1) an ordinary buyer's use and enjoyment of the property; or,
235 (2) any intended use of the property of which the seller is aware.

236 (b) The disclosure must be made in good faith and based upon the best of the seller's knowledge at the time of the disclosure.

237 Minnesota Statutes Section 513.58. AMENDMENT TO DISCLOSURE.

238 Subdivision 1. NOTICE. A seller must notify the prospective buyer in writing as soon as reasonably possible, but in any event before closing, if the seller
239 learns that the seller's disclosure required by Section 513.55 was inaccurate.

240 Subdivision 2. FAILURE TO NOTIFY; LIABILITY. A seller who fails to notify the prospective buyer of any amendments to the initial disclosure required
241 under subdivision 1 is liable to the prospective buyer as provided in Section 513.57.
242

243 (2) Inspection Report. Buyer has received an inspection report by a qualified third-party. If a copy of the inspection report is provided to
244 Seller, Seller shall disclose to Buyer material facts known to Seller that contradict any information in the inspection report.
245

246 Minnesota Statutes Section 513.56 Subd. 3. INSPECTIONS.

247 (a) Except as provided in paragraph (b), a seller is not required to disclose information relating to the real property if a written report that discloses the
248 information has been prepared by a qualified third party and provided to the prospective buyer. For purposes of this paragraph, "qualified third party"
249 means a federal, state, or local governmental agency, or any person whom the seller, or prospective buyer, reasonably believes has the expertise
250 necessary to meet the industry standards of practice for the type of inspection or investigation that has been conducted by the third party in order to
251 prepare the written report.

252 (b) A seller shall disclose to the prospective buyer material facts known by the seller that contradict any information included in a written report under
253 paragraph (a) if a copy of the report is provided to the seller.
254

255 (3) Waiver of Disclosure.

256 Minnesota Statutes Section 513.60. WAIVER. The written disclosure required under Sections 513.52 to 513.60 may be waived if the seller and the
257 prospective buyer agree in writing. Waiver of the disclosure required under Sections 513.52 to 513.60 does not waive, limit, or abridge any obligation
258 for seller disclosure created by any other law.
259

260 Seller and Buyer waive the written disclosure required under Sections 513.52 to 513.60.

261 SELLER: William J. Hoff BUYER: John A. Hoff

262 SELLER: _____ BUYER: _____

263 NOTICE REGARDING PREDATORY OFFENDERS: Information about the predatory offender registry and persons registered with the registry
264 may be obtained by contacting the local law enforcement agency or by contacting the Minnesota Department of Corrections at 651-361-7200 or
265 at http://www.doc.state.mn.us.
266

267 B. WELL DISCLOSURE. [Check one of the following:]

- 268 Seller certifies that Seller does not know of any wells on the real property and will so certify on the Deed or Contract for Deed delivered at
269 closing.
270 Wells on the real property are disclosed by Seller on the attached M.S.B.A. Real Property Form No. 21 (2005), Well Disclosure Statement.

271 C. SEWAGE TREATMENT SYSTEM DISCLOSURE.

[Check either (1) or (2):]

- (1). Seller certifies that sewage generated at the property goes to a facility permitted by the Minnesota Pollution Control Agency (for example, a city or municipal sewer system).
- (2). Seller certifies that sewage generated at the property does not go to a facility permitted by the Minnesota Pollution Control Agency and Seller's Disclosure of Individual Sewage Treatment System is attached (attach form).

[Check either (3) or (4):]

- (3). Seller does not know if there is an abandoned individual sewage treatment system on the property.
- (4). Seller knows that there ~~is~~ are / are no abandoned individual sewage treatment systems on the property. If Seller discloses the existence of an abandoned individual sewage treatment system on the property, then Minnesota law requires that the location of the system be disclosed to Buyer with a map. [Attach Seller's Disclosure of Individual Sewage Treatment System with map completed.]

D. LEAD PAINT DISCLOSURE. [Check one of the following:]

- Seller represents that the dwelling was constructed on the real property in 1978 or later.
- Seller represents that the dwelling was constructed on the real property before 1978. (If such housing is located on the real property, attached and made a part of this Purchase Agreement is M.S.B.A. Real Property Form No. 11 (1996), LEAD PAINT ADDENDUM FOR HOUSING CONSTRUCTED BEFORE 1978.)

E. HAZARDOUS SUBSTANCES, PETROLEUM PRODUCTS, AND UNDERGROUND STORAGE TANKS. Seller knows of no hazardous substances or petroleum products having been placed, stored, or released from or on the real property by any person in violation of any law, nor of any underground storage tanks having been located on the real property at any time, except as follows:

None known.

If the presence of underground storage tanks is disclosed, then this paragraph applies: Seller hereby represents and warrants to Buyer that all of the underground tanks known to Seller on the subject property have been disclosed to Buyer on the attached drawing or map. Seller shall provide at closing the affidavits required by Minnesota Statutes Sections 115B.16, Subd. 2, and 116.48 if applicable to the subject property and record an affidavit attesting to the location of any underground tanks which are used for the storage of petroleum products.

F. PROTECTED SITES. Seller has no knowledge that the property has any conditions that are protected by federal or state law (such as American Indian burial grounds, other human burial grounds, ceremonial earthworks, historical structures or materials, or archeological sites). [Check the box if the following provision applies to this Purchase Agreement:] ADDENDUM TO PURCHASE AGREEMENT: CONTINGENCIES FOR SURVEY, APPRAISAL, DEVELOPMENT EVALUATION, AND ARCHEOLOGICAL / HISTORICAL SURVEY, M.S.B.A. Real Property Form No. 17 (2005), is included as an addendum to this Purchase Agreement.

G. DISEASED TREES. Seller has not received any notice from any governmental authority as to the existence of, and Seller has no knowledge of, any Dutch elm disease, oak wilt, or other disease of any trees on the real property.

H. MECHANICAL SYSTEMS. Seller represents that all fixtures, heating and air conditioning equipment, fireplaces (including mechanisms, dampers, flues, and doors), wiring, and plumbing used and located on the real property will be in working order on the Date of Closing. For the purposes of this Purchase Agreement, "in working order" means that the item functions for the purpose that it is intended to perform, that it is not in violation of any public codes or regulations (although it may be legally nonconforming under current law), that it does not presently need replacement, cleaning, repairs or service, that it is not missing any essential parts, and that its only imperfections are "cosmetic" or signs of "wear and tear" associated with a product of its age.

I. WET BASEMENT. Seller ~~has~~ has ~~not~~ had a wet basement.

J. ROOF. Seller ~~has~~ has ~~not~~ had a leaky roof.

K. UTILITIES CONNECTIONS. Seller represents that the property is connected to:
city sewer ~~YES~~ YES / ~~NO~~ NO; city water ~~YES~~ YES / ~~NO~~ NO; cable communications ~~YES~~ YES / ~~NO~~ NO.

L. CLEAN CONDITIONS. Seller shall remove all debris, trash, rubbish, garbage, rubble, and yard waste from the land before the possession date. Seller shall remove all trash, garbage, and miscellaneous discarded materials from the buildings, and shall leave the buildings in "broom clean" condition before the possession date. Seller shall remove all personal property not included in this sale from the real property before possession date.

M. BUYER'S INSPECTIONS. Buyer may have inspections of the property conducted prior to closing. [Check the box if the following provision applies to this Purchase Agreement:] ADDENDUM TO PURCHASE AGREEMENT: BUYER'S HOME INSPECTION CONTINGENCY, M.S.B.A. Real Property Form No. 18 (2005), is included as an addendum to this Purchase Agreement

N. METHAMPHETAMINE DISCLOSURE. [Check only one box, either (1) or (2).]

- (1) To the best of Seller's knowledge, methamphetamine production has not occurred on the property.
- (2) To the best of Seller's knowledge, methamphetamine production has occurred on the property and Seller's disclosure is continued in Part B., METHAMPHETAMINE DISCLOSURE STATEMENT, M.S.B.A. Real Property Form No. 22 (2005), included as an addendum to this Purchase Agreement.

O. NOTICE OF AIRPORT ZONING REGULATIONS. If airport zoning regulations affect this real property, a copy of those airport zoning regulations as adopted can be viewed or obtained at the office of the county recorder where the zoned area is located.

P. WARRANTIES SURVIVE CLOSING. Seller's warranties and representations contained in this Paragraph 10., shall survive the delivery of the Deed or Contract for Deed.

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This Paragraph 10., shall not change or affect any rights that Buyer might have under the Uniform Commercial Code [Minnesota Statutes Section 336.2-312], or under Minnesota's "Prevention of Consumer Fraud Act" [Minnesota Statutes Sections 325F.68 — .70], or under Minnesota's "Homeowners Warranty Act" [Minnesota Statutes Chapter 327A]; nor shall it preclude Seller's liability for an action for fraud, negligent misrepresentation, or other actions allowed by law [Minnesota Statutes Section 513.57.]

11. DISCLOSURE OF NOTICES. Seller has not received any notice from any governmental authority as to violation of any law, ordinance or regulation affecting the real property. If the real property is subject to restrictive covenants, Seller has not received any notice from any person as to a breach of the covenants. Seller has not received any notice from any governmental authority concerning any eminent domain, condemnation, special taxing district, or zoning proceedings. Seller's representations contained in this Paragraph 11., shall survive the delivery of the Deed or Contract for Deed.

12. TRUTH-IN-HOUSING. Buyer acknowledges receipt of the Truth-in-Housing Disclosure Report or other inspection report if required by the municipality in which the real property is located.

13. POSSESSION. Seller shall deliver possession of the property not later than October 31, 2019, which is before closing. All interest, fuel oil, liquid petroleum gas, and all charges for city water, city sewer, electricity, and natural gas shall be prorated between the parties as of October 31, 2019.

14. TITLE.

A. ABSTRACT AND EXAMINATION OF TITLE. To demonstrate that Seller's title is good and marketable of record, within a reasonable time after acceptance of this Purchase Agreement, Seller shall furnish Buyer with an Abstract of Title [see B., below] or a Registered Property Abstract certified to date including proper searches covering bankruptcies and state and federal judgments, federal court judgment liens in favor of the U.S., liens, and levied and pending special assessments. Buyer shall have ten business days after receipt of the Abstract of Title or Registered Property Abstract either to have Buyer's lawyer examine the title and provide Seller with written Title Objections or, at Buyer's own expense, to make an application for a title insurance policy and notify Seller of the application. Buyer shall have ten business days after receipt of the Commitment for Title Insurance to provide Seller with a copy of the Commitment and written Title Objections. Buyer shall be deemed to have waived any Title Objections not made within the ten day period above, except that this shall not operate as a waiver of Seller's covenant to deliver a statutory Warranty Deed, unless a Warranty Deed is not specified above. If Buyer obtains title insurance, Buyer is not waiving the right to obtain a good and marketable title of record from Seller.

For the purposes of this Agreement, an "Objection to Title" or "Title Objection" is some title matter which fails to pass a title examination based upon Minnesota law and the Minnesota Title Standards promulgated by the Real Property Section of the Minnesota State Bar Association thereby rendering the title unmarketable and is a title matter which requires a remedial response by the Seller prior to or at closing.

An "Exception to Title" or "Title Exception" is some title matter which passes a title examination based upon Minnesota law and the Minnesota Title Standards; is generally regarded by title examiners as not rendering the title unmarketable and, which, because of its nature, is generally disclosed by title examiners to the recipient of the title opinion or title insurance commitment.

B. ABSTRACT LOST OR UNAVAILABLE: TITLE INSURANCE BY SELLER. If Seller is unable to find the Abstract of Title or if Seller did not receive an Abstract of Title when Seller purchased the Property, then, to demonstrate that Seller's title is insurable for marketability and subject to only those matters disclosed at Paragraph 6., above, within a reasonable time after acceptance of this Agreement, Seller shall furnish Buyer with a Commitment for Title Insurance including proper searches covering bankruptcies and state and federal judgments, federal court judgment liens in favor of the U.S., liens, and levied and pending special assessments. [Seller: see Advisory below.] The Commitment shall be obtained from [select one:]

- The title insurer of Buyer's choice; or,
- The same title insurer that issued title insurance to Seller so that Seller may obtain a reissue credit from the insurer.

The Commitment shall contain the insurer's requirements for deleting these exceptions in the owner's policy (except for those matters accepted by Buyer in this Agreement):

- (1) Rights or claims of parties in possession, not shown by the public records
- (2) Easements, or claims of easements, not shown by the public records;
- (3) Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records; and,
- (4) Any lien, or right to a lien, for services, labor or material furnished, imposed by law and not shown by the public records.

Seller shall provide to Buyer and to the title insurer all documents (except a survey, unless Seller is required by other provisions of this Agreement to provide a survey) necessary to enable the title insurer to delete these exceptions from the owner's policy of title insurance. Buyer shall have ten business days after receipt of the Commitment for Title Insurance to provide Seller with a copy of the Commitment and written Title Objections. Buyer shall be deemed to have waived any Title Objections not made within the ten day period above, except that this shall not operate as a waiver of Seller's covenant to deliver a statutory Warranty Deed, unless a Warranty Deed is not specified above. By agreeing to receive title insurance in lieu of an Abstract, Buyer is not waiving the right to obtain a good and marketable title of record from Seller. [Buyer: see Advisory below.]

Select one of the following:

- The Commitment shall be accompanied by, at Seller's expense, the insurer's agreement (or the separate agreement of a Minnesota-licensed abstracter) to provide Buyer with an Abstract of Title at any time in the future. The abstract to be provided shall be at no cost to Buyer for all abstracting through the date of recording of the instrument of conveyance contemplated by this Purchase Agreement. Seller shall pay all commitment, abstracting, examination, searches, and title insurance costs, including the premium for the owner's policy and excluding the premium for the lender's policies.
- The Commitment will not include the insurer's or abstracter's agreement to provide Buyer with an Abstract of Title at any time at no cost to Buyer. Seller shall pay all commitment, abstracting, examination, searches, and title insurance costs including the premiums for the owner's and the lender's policy.

ADVISORY TO SELLER: You should consult with your lawyer about the comparative costs of paying an abstract company to produce a new Abstract of Title versus paying the Buyer's title insurance costs. In many Minnesota counties, it is less expensive to obtain a new Abstract.

ADVISORY TO BUYER: You should consult with your lawyer about the relative merits of receiving an Abstract of Title versus receiving a title insurance policy. As a future seller of the same property, you likely will be asked to give your buyer an Abstract. If your Seller does not obtain the title insurance endorsement for future production of an Abstract, you might be facing a large expense when you sell.

16. TITLE CORRECTIONS AND REMEDIES. Seller shall have a limited time, from receipt of Buyer's written Title Objections, to make title marketable. Upon receipt of Buyer's Title Objections, Seller shall, within ten business days, give Notice to Buyer of Seller's intention to make title marketable within the title-clearing cure period selected in C.(1) or C.(2) below. Liens or encumbrances for liquidated amounts which can be released by payment or escrow from proceeds of closing shall not delay the closing. Cure of the defects by Seller shall be reasonable, diligent, and prompt. Pending correction of title, all payments required herein and the closing shall be postponed.

As an alternative to making title good and marketable of record, Seller may, within the ten day Notice period, make a written, dated offer to Buyer to obtain title insurance for Buyer with insuring provisions acceptable to Buyer (and, if applicable, Buyer's lender), as follows:

- Seller may procure, at Seller's expense, an owner's policy of title insurance, from an insurer registered and licensed to do business in Minnesota and acceptable to Buyer, specifically insuring over the Title Objections; or,
- If the Title Objections are stated in a title insurance commitment which Buyer has obtained, Seller may provide the insurer with such documents and escrows as are necessary to allow the insurer to specifically insure over the Title Objections and agree to pay all of the insurer's charges for issuing the owner's policy to Buyer.

Under either of these title insuring alternatives, "at Seller's expense" and "pay all of the insurer's charges" mean that Seller will pay all title insurance commitment and policy premium charges, search charges, plat drawing fees, and any other charge by the insurer to issue the owner's policy, but not the premium for a lender's policy, if any. If Buyer accepts Seller's offer of an insurable title, then in this Purchase Agreement, "making title marketable" shall mean "making title insurable," in the manner described above. Buyer is under no obligation to accept Seller's offer of an insurable title in lieu of a good and marketable title of record, but, if Buyer does not reject Seller's offer of an insurable title within three (3) business days of receiving Seller's offer, Buyer shall be deemed to have accepted Seller's offer of an insurable title. If Buyer rejects Seller's offer to make title insurable, Seller shall then make title good and marketable of record and shall be subject to the provisions of this agreement for failure to timely present good and marketable title of record.

- A. If Notice is given and Seller makes title marketable, then upon presentation to Buyer and proposed lender of documentation establishing that title has been made marketable, and if not objected to in writing and within 5 business days of receipt of Seller's documentation, the closing shall take place within ten business days or on the scheduled closing date, whichever is later.
- B. If Seller does not give Notice of intention to make title marketable within ten business days after receipt of Buyer's Title Objections, this Purchase Agreement is canceled and the earnest money shall be refunded to Buyer.
- C. **Selection of Title-Clearing Cure Period. [C.(1) and C.(2) are alternative remedies. ONLY ONE OF THEM CAN APPLY FOR THIS PURCHASE AGREEMENT. If either party cannot endure more than a 30 to 45 day delay for the closing, select C.(1). If both parties can endure a longer delay for the closing, select C.(2). SELECT ONLY C.(1) OR C.(2).] IF THE PARTIES DO NOT SELECT C.(1) OR C.(2), BY CHECKING ONE OF THE BOXES BELOW, THEN C.(1) AUTOMATICALLY APPLIES AS A TERM FOR THIS PURCHASE AGREEMENT.**

C.(1) is selected as a remedy for this Purchase Agreement.

(1) Seller shall have 30 days from receipt of Buyer's written Title Objections or until the Date of Closing, whichever date is later, to make title marketable. If Notice is given but the stated period expires without title being made marketable, Buyer may:

- (a) Cancel this Purchase Agreement by notice to Seller pursuant to Minnesota Statutes Section 559.217, Subd. 3 (allowing Seller a 15 day right to cure) and neither party shall be liable for damages hereunder to the other, and the earnest money shall be refunded to Buyer; or,
- (b) Elect to take title subject to some or all of the Title Objections.

C.(2) is selected as a remedy for this Purchase Agreement.

(2) Seller shall have [select one] 60 / 90 / 120 days from receipt of Buyer's written Title Objections or until the Date of Closing, whichever date is later, to make title marketable if Notice is given but the stated period expires without title being made marketable, Buyer may seek, as permitted by law, one or more of the following:

- (a) Proceed to closing without waiver or merger in the Deed of the Title Objections and without waiver of any remedies, and may:
 - (i) Seek damages, costs, and reasonable lawyer's fees from Seller as permitted by law (damages under this subparagraph (i) shall be limited to the cost of curing Title Objections, and consequential damages are excluded); or
 - (ii) Undertake proceedings to correct the Title Objections;
- (b) Rescission of this Purchase Agreement by notice to Seller, in which case all earnest money paid shall be refunded to Buyer;
- (c) Damages from Seller together with costs and reasonable lawyer's fees, as permitted by law;
- (d) Specific performance within six months after such right of action arises, including costs and reasonable lawyer's fees;
- (e) Cancellation of this Purchase Agreement pursuant to Minnesota Statutes Section 559.217, Subd. 3 (allowing Seller a 15 day right to cure).

D. If title is marketable, or is made marketable as provided herein, and Buyer defaults in any of the agreements herein, Seller may elect either of the following options, as permitted by law:

- (1) Cancel this Purchase Agreement pursuant to either Minnesota Statutes Section 559.21 or Section 559.217, Subd. 3, and retain all payments made hereunder as liquidated damages. [Note: Under federal law, Seller might not be able to legally claim or retain the earnest money under purchase agreements where Buyer applies for but is unable to secure F.H.A. or D.V.A. mortgage financing.] The parties acknowledge their intention that any note given pursuant to this contract is a down payment note, and may be presented for payment notwithstanding cancellation;
- (2) Seek specific performance within six months after such right of action arises, including costs and reasonable lawyer's fees, as permitted by law.

E. If title is marketable, or is made marketable as provided herein, and Seller defaults in any of the agreements herein, Buyer may, as permitted by law:

- (1) Seek damages from Seller including costs and reasonable lawyer's fees;
- (2) Seek specific performance within six months after such right of action arises, including costs and reasonable lawyer's fees;
- (3) Cancel this Purchase Agreement pursuant to Minnesota Statutes Section 559.217, Subd. 3 (allowing Seller a 15 day right to cure) and neither party shall be liable for damages hereunder to the other, and the earnest money shall be refunded to Buyer.

NOTE: If this Purchase Agreement is canceled using Minnesota Statutes Section 559.217, contract provisions and statutory provisions for refunding of the earnest money to Buyer might be in conflict.

496 16. NOTICES. All notices required herein shall be in writing and delivered personally or mailed to the address as shown at Paragraph 1 above and,
497 if mailed, are effective as of the date of mailing.
498

499 17. SUBDIVISION OF LAND. If this sale constitutes or requires a subdivision of land owned by Seller, Seller shall pay all subdivision expenses and
500 obtain all necessary governmental approvals. Seller warrants that the legal description of the real property to be conveyed has been or will be approved
501 for recording as of the Date of Closing.
502

503 18. MINNESOTA LAW. This contract shall be governed by the laws of the State of Minnesota.
504

505 19. WETLANDS, SHORELAND, AND FLOOD PLAIN CONCERNS. Unless disclosed as "a material fact" that could adversely and significantly affect
506 buyer's use and enjoyment of the Property or any intended use of the Property, current law does not require Seller to disclose Seller's knowledge, if
507 any, of the existence of wetlands, shoreland, or flood plain on or affecting the real property. If Buyer has not already investigated these concerns, Buyer
508 might want to include Seller's disclosures regarding these concerns. [Check the box if the following provision applies to this Purchase Agreement:]

509 ADDENDUM TO PURCHASE AGREEMENT: WETLANDS, SHORELAND AND FLOOD PLAIN DISCLOSURE, M.S.B.A. Real Property Form
510 No. 8 (1997), is included as an addendum to this Purchase Agreement.
511

512 20. SELLER'S AFFIDAVIT. At closing, Seller shall supplement the warranties and representations in this Purchase Agreement by executing and
513 delivering a Minnesota Uniform Conveyancing Blank [Form No. 50.1.2 (formerly 116-M) or 50.1.3 (formerly 117-M or 118-M)] Affidavit of Seller. Seller's
514 Affidavit shall include Seller's representation that no encumbrances have been placed on the property since the date of this Purchase Agreement.
515

516 21. CLOSING. Closing shall be at the office of Seller's lawyer, Buyer's title insurer, or at some other mutually agreeable location.
517

518 [State other location:] Frogtown Neighborhood Association, 501 Dale Street North, Saint Paul, MN 55103

519 At closing, Seller and Buyer shall disclose their Social Security Numbers or Federal Tax Identification Numbers for the purposes of completing state
520 and federal tax forms.
521

522 CLOSING COSTS. The costs of closing, if not determined by other provisions of this Agreement, shall be paid as follows.
523

524 A. SELLER'S COSTS. Seller shall pay the following at closing:

- 525 1. Document preparation costs, recording fees, and deed taxes for documents necessary to establish good and marketable title in Seller.
526 2. Document preparation costs, certified copy fees, and recording fees to establish the authority of the person acting on behalf of Seller.
527 3. Document preparation costs for Seller's deed or contract-for-deed, Certificate of Real Estate Value, Seller's affidavit, Well Disclosure
528 Certificate (if required), and any other documents necessary to transfer good and marketable title by Seller's deed or contract-for-deed.
529 4. Deed tax on Seller's deed and the Agricultural Conservation deed tax charged under Minnesota Statutes Section 40A.152.
530 5. Fees payable to Seller's lawyer or to a closer ["title closer"] for conducting the title-transfer portion of the closing. If Seller is not providing
531 a lawyer or title closer for the title-transfer portion of the closing and if Buyer is obtaining new mortgage financing and the closer's fee is not
532 separated into a "title closing fee" and a "loan closing fee," then Seller shall pay one half of the closer's fee or \$_____, whichever
533 amount is less.
534 6. And also the following costs:

535 Seller shall not pay costs at closing.
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537 _____
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541 _____

542 B. BUYER'S COSTS. Buyer shall pay the following at closing:

- 543 1. Document preparation costs, recording fees, and mortgage registry taxes for documents necessary for Buyer's mortgage financing.
544 2. Document filing fee for a Well Disclosure Certificate, if applicable.
545 3. The Agricultural Conservation deed tax on Buyer's mortgage deed charged under Minnesota Statutes Section 40A.152.
546 4. Loan closer's fee.
547 5. Recording fee for Deed, Contract for Deed, or other instrument of conveyance where Buyer is the grantee.
548 6. And also the following costs:

549 Buyer shall pay all cost necessary for the property's rehabilitation and transfer.
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556 22. ADDITIONAL TERMS.

557 All personal property left behind will be considered abandoned property and disposed of by Buyer.

558 The parties agree that the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in construing this Agreement.

559 Buyer assumes all costs and liabilities, known and unknown, associated with obtaining marketable title to the property.
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568 [Drafter: consider issues of assignment and of succession-in-interest.]

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23. ADDENDA. Attached are the following addenda which are made a part of this Purchase Agreement: *[Check only those that are attached.]*

FINANCING *[Select only one financing addendum:]*

- Financing Addendum for Conventional / Privately Insured Mortgage, M.S.B.A. Real Property Form No. 2 (2008)
- Financing Addendum for FHA Insured Mortgage, M.S.B.A. Real Property Form No. 3 (2008)
- Financing Addendum for VA Insured Mortgage, M.S.B.A. Real Property Form No. 4 (2008)
- Financing Addendum for Seller Mortgage, M.S.B.A. Real Property Form No. 5 (2005)
- Financing Addendum for Contract for Deed, M.S.B.A. Real Property Form No. 6 (2005)
- Contract for Deed Disclosure *[Multiple Seller]*, M.S.B.A. Real Property Form No. 25
- Financing Addendum for Assumption, M.S.B.A. Real Property Form No. 7 (2005)

DISCLOSURE AND CONTINGENCY:

- Addendum to Purchase Agreement: Wetlands, Shoreland, and Flood Plain Disclosure, M.S.B.A. Real Property Form No. 8 (1997)
- Addendum for Contingent Sale or Purchase of Other Home(s), M.S.B.A. Real Property Form No. 9 (1997)
- Lead Paint Addendum for Housing Constructed Before 1978, M.S.B.A. Real Property Form No. 11 (1996)
- Disclosure of Sewage Treatment System, M.S.B.A. Real Property Form No. 14 (1998)
- Condition of Property, M.S.B.A. Real Property Form No. 15 (2005)
- Addendum to Purchase Agreement: Survey, Appraisal, Development Evaluation, and Archeological / Historical Survey, M.S.B.A. Real Property Form No. 17 (2005)
- Buyer's Home Inspection Contingency, M.S.B.A. Real Property Form No. 18 (2005)
- Well Disclosure Statement, M.S.B.A. Real Property Form No. 21 (2005)
- Methamphetamine Disclosure Statement, M.S.B.A. Real Property Form No. 22 (2005)
- Radon Disclosure, M.S.B.A. Real Property Form No. 24 (2013)

TITLE ISSUES:

- Addendum to Purchase Agreement: Title Issues, M.S.B.A. Real Property Form No. 19 (2005)
- Addendum to Purchase Agreement: Tenants and Parties in Possession, M.S.B.A. Real Property Form No. 20 (2005)

COMMON INTEREST COMMUNITY:

- Addendum to Purchase Agreement: Common Interest Community, M.S.B.A. Real Property Form No. 12 (2004)

Others: _____

Addendum Acknowledging Need for Certificate of Occupancy _____

24. TIME IS OF THE ESSENCE. Time is of the essence for all provisions of this Purchase Agreement.

25. MULTIPLE ORIGINALS. Seller and Buyer have signed *[number]* 2 _____ originals of this Purchase Agreement.

THIS IS A LEGALLY BINDING CONTRACT. BEFORE SIGNING, CONSULT A LAWYER. Minnesota law permits licensed real estate brokers and sales agents to prepare purchase agreements. No recommendation or representation may be made by any real estate broker or sales agent as to the legal sufficiency, the legal effect, or the tax consequences of this contract. These are questions for your lawyer.

I agree to sell the property for the price and terms and conditions set forth above.

SELLER: William J. Hoff 10-7-19
 (date)

I agree to purchase the property for the price and terms and conditions set forth above.

BUYER: [Signature] 10/7/19
 (date)

SELLER: _____
 (date)

BUYER: _____
 (date)

This Purchase Agreement was prepared by:

Laura Orr (Attorney ID #0391344)
 Southern Minnesota Regional Legal Services, Inc.
 55 East Fifth Street, Suite 400
 Saint Paul, MN 55101
 laura.orr@smrls.org

Others who will assist Seller or Buyer with this transaction:

<p>Lawyer for <u>Seller William Staff</u></p> <p>Laura Orr (Attorney ID #0391344) Southern Minnesota Regional Legal Services, Inc. 55 East Fifth Street, Suite 400 Saint Paul, MN 55101 laura.orr@smrls.org</p>	<p>Telephone: 651-894-6924</p>	<p>Facsimile: 651-894-6924</p>
<p>Listing Agent and Broker for this transaction are:</p>	<p>Telephone:</p>	<p>Facsimile:</p>
<p>Selling Agent and Broker for this transaction are:</p>	<p>Telephone:</p>	<p>Facsimile:</p>
<p>Buyer's or Lender's Title Insurer:</p>	<p>Telephone:</p>	<p>Facsimile:</p>

