

# PURCHASE AGREEMENT

1. DATE: April 17, 2025
2. PARTIES: Hamline Housing Trust, LLC known as "Seller or Sellers" agrees to sell and convey to Housing Hub, LLC and/or assigns ("Buyer") the property as described below according and subject to the conditions of this agreement.
3. PROPERTY: 1725, 1731, 1737 and 1743 Thomas Ave., St. Paul, MN, PID # 332923120105, 332923120104, 332923120103 and 332923120102
4. PERSONAL PROPERTY: The following property, if any, owned by Seller and used and located on said property: garden bulbs, plants, shrubs, and trees, storm sash, storm doors, screens and awnings, window shades, blinds, traverse and curtain and drapery rods, attached lighting fixture and bulbs, plumbing fixtures, water heater, heating plants (with any burners, tanks, stokers and other equipment used in connection therewith), electronic air filter, water softener, humidifier and dehumidifier, liquid gas tank and controls, sump pump, attached television antenna, cable TV jacks and wiring, built-ins, dishwashers, garbage disposal, trash compactors, stoves, refrigerators, ovens, cook top stoves, microwave ovens, hood fans, intercom, carpeting, mirrors, garage door openers and all controls, mailboxes, smoke detectors, fireplace screens doors and ventilators and the following personal property: refrigerators and stoves and laundry equipment. The Personal Property and the Real Property are collectively known as the "Property."
5. EARNEST MONEY: The sum of \$15,000.00 by check or wire as earnest money to be placed immediately, but no later than three days, upon the full execution of the purchase agreement. The earnest money will be placed with Kristina Braun at FSA Title Services, LLC immediately after full execution of the purchase agreement.
6. PURCHASE PRICE: Subject to the conditions hereinafter set forth, Buyer shall pay to Seller, as the purchase price for the property and personal property, the amount of \$1,484,000.00 payable as follows:
  - a. Earnest money of \$15,000.00 as stated above.
  - b. Payment on the date of closing as follows: \$1,469,000.00 cash due at closing
7. CLOSING DATE: The date for the closing of this purchase agreement ("Closing date") shall be on or before ~~June 14, 2025~~ or at another time mutually agreeable, in writing, to both parties. The closing shall be held at the office of Seller's Closing Agent, FSA Title Service, LLC or at another location as designated by Sellers (within the seven county metro area). Time is of the essence in this matter and Buyer's failure to close by the date indicated shall be considered a default of this agreement by Buyer.
8. POSSESSION: Seller shall deliver possession of the property no later than immediately at closing along with all keys, and any other devices used to access the building.
9. CONTINGENCIES: This purchase agreement is subject to the following contingency. If Buyers, are not satisfied with the outcome of any of the following contingency, for any reason, Buyers, at Buyers sole discretion, may declare this agreement null and void and this purchase agreement will have no further force or effect and all earnest money shall be returned to Buyers and neither party shall have any further rights, duties, or obligations to the other party either in law or equity. For any contingency below, Buyer may provide notice of its intent to cancel the Purchase Agreement by notice to the Broker or any agents involved in this transaction. Notice may be in the form of a written letter or email. If Buyer fails to notify Sellers or their agent by the 11<sup>th</sup> day from the date of execution of this purchase agreement that the purchase agreement is being cancelled then this contingency is automatically removed and the earnest money becomes hard and is non

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76

refundable.

**INSPECTION:** *This offer is contingent on a complete inspection of the premises, all units and all mechanical and non-mechanical equipment by Buyers and approval by Buyers of the same within 10 days from the date of the full execution of this purchase agreement. Buyer agrees that it will not do any invasive inspection without the prior approval of the Seller.*

10. **TITLE:** Seller shall, at Seller's expense, furnish a ALTA Owner's policy of Title insurance ("Title commitment") certified to date which includes property searches covering bankruptcies, state and federal judgments and liens and levied and pending special assessments insuring good and marketable fee simple title to the Property in Buyers as of the Date of Closing, subject to the permitted exceptions only and rights or parties in possession. Seller shall use Kristina Braun at FSA Title Services to issue the title commitment. Seller discloses that Kristina Braun will be representing Seller in this transaction. Buyers shall be allowed a reasonable time after receipt of the title commitment for examination of title and making any objections but no later than 10 days from the receipt of the title commitment. If any objection is so made, Seller shall have 120 business days from receipt of Buyer's title objections to correct said objections. Payments due hereunder shall be suspended until said objections are corrected. If the title is not corrected within the specified time, this purchase agreement may be canceled, at the exclusive option of Buyers. If Sellers cancel this purchase agreement, then all Earnest Monies shall be immediately refunded to Buyers and Buyers shall not be responsible for any damages hereunder and Buyers shall immediately sign a cancellation of this Purchase Agreement. Upon correction of the title and within 5 days after written notice by Seller to Buyer of the correction of said title or the closing date, which ever is later, Seller and Buyer shall, subject to the conditions set forth herein, perform the terms of the purchase agreement. If said title to said property is found to be marketable, and if Buyers shall default in any of their agreements hereunder then Seller may terminate this agreement by giving written notice to Buyer and retain any earnest money held. Alternatively, Seller may seek specific performance of this contract as a remedy.
11. **DEED:** Upon performance by Buyer, Seller shall deliver a general warranty deed, warranting fee simple title to the property, joined in by spouse if any, conveying marketable title subject to: A) ordinances, state and federal regulations, B) restrictions relating to use or improvement of the property without effective forfeiture provisions, C) reservation of any mineral rights held by the state of Minnesota D) utility and drainage easements which do not interfere with existing improvements E) rights of tenants. Seller shall pay state Deed tax.
12. **WARRANTIES:** Seller warrants the following of the Property, no other warranties or representations are being made by Seller:
  - a. **BOUNDARIES:** That the buildings, are or will be, constructed entirely within the boundary lines of the property, seller warrants that there is a right of access to the property from a public rights of way.
  - b. **LIENS:** That prior to the closing, payment in full will have been made for all labor, materials, machinery, fixtures or tools furnished within the 120 days immediately preceding the closing in connection with construction, alteration or repair of any structure on or improvement to the property.
  - c. **CITY SEWER AND WATER:** That the property is directly connected to city sewer and city water.
13. **ASSIGNMENT OF LEASES:** Leases will be assigned at closing.
14. **RISK OF LOSS:** If there is any significant loss or significant damage of \$10,000.00 or

more to the property between the date that this agreement as is executed and the date of closing, for any reason including fire, vandalism, flood, earthquake, any act of God or any other cause or casualty, this agreement shall become null and void, at Seller's sole discretion, and it will have no further force or effect and all earnest money shall be returned to Buyers and neither party shall have any further rights, duties, or obligations to the other party.

15. **TAXES:** All property taxes payable in the year of closing shall be pro-rated to the date of closing. All special assessments that are levied shall be prorated to the date of closing. For the purposes of this clause, Buyer will be considered the owner of the property for the entire day of closing. Any and all special assessments that are pending or ordered will be paid by Buyer. Seller shall pay on date of closing any deferred real estate taxes (i.e. green acres etc.) payment of which is required as a result of the closing of this sale. As of the date of this agreement, Seller represents that Seller has not received a notice of hearing for a new public improvement project from any governmental assessing authority, the costs which project maybe assessed against the property. If a notice of pending special assessment is issued after the date of this agreement and on or before the date of closing, Buyer shall assume payment of all of any such special assessment on the date of closing.
16. **SECURITY DEPOSITS:** All security deposits or any other amount collected by Seller to secure the performance of a contract between Seller and a third party (tenants) and that would be due to the third party at the time of closing shall be dealt with by Seller in accordance with Minn. Stat. §504B.178 and any remaining balances will be transferred at closing.
17. **CLOSING COSTS:** The Seller and Buyer shall pay their own standard costs in this matter. *Seller is notifying Buyer that it will be retaining its own closer to represent itself at closing.*
18. **DEFAULT:** If Seller defaults, Buyer may terminate this Agreement by written notice to Seller and all earnest money shall be returned to Buyer; *this is Buyer's sole remedy.* If Buyer defaults, Seller may terminate this agreement by written notice to Buyer and retain the earnest money as liquidated damages or alternatively, Seller may seek any other remedies it may have including specific performance as a remedy in the event of Sellers default.
19. **WELL DISCLOSURE:** Seller will provide the well disclosure statement required by Minn. Stat. sec. 1031.235. To the best of Seller's knowledge, there is no well on the property.
20. **AS IS CONDITION:** Buyer is buying this property in an "as is" condition without any warranties except as specifically stated in this agreement. At closing, Buyer and Seller will enter into a standard "as is" addendum.
21. **RELEASE:** By proceeding with the closing of this transaction, Buyer shall be deemed to have made its own independent investigation of the Property, the Property Information on the Real Property, as Buyer deems appropriate. Accordingly, Buyer, on behalf of itself and all of its officers, directors, shareholders, employees, representatives and affiliated entities (collectively, the "Releasors") hereby expressly releases, waives and relinquishes any and all rights and remedies Releasors may now or hereafter have against Seller, its successors and assigns, partners, shareholders, officers and/or directors and affiliated entities (the "Seller Parties"), whether known or unknown, which may arise from or be related to (a) the physical condition, quality, quantity and state of repair of the Real Property and the prior management and operation of the Real Property, (b) the Property Information, (c) the Real Property's compliance or lack of compliance with any federal, state or local laws or regulations, (d) the rights, title or interest in the Personal Property, (e) any past, present or future presence or existence of hazardous materials on, under or

about the Real Property or with respect to any past, present or future violation of any rules, regulations or laws, now or hereafter enacted, regulating or governing the use, handling, storage or disposal of Hazardous Materials or (f) the purchase of the subject property. Without limiting the generality of the foregoing, Buyer, on behalf of itself and the other releasors, hereby assumes all risk and liability resulting or arising from, or relating to the purchase, ownership, use, condition, location, maintenance, repair, or operation of, the property. The foregoing waivers, releases and agreements by buyer, on behalf of itself and the other releasors, shall survive the closing and the recordation of the deed and shall not be deemed merged into the deed upon its recordation and therefore will continue to apply after the closing of the sale of the subject property.

22. REAL ESTATE BROKERS: Seller is being represented by Kirk Kenneally and will be paying the agreed upon commission to him.

23. OTHER CONDITIONS:

- a. ENTIRE AGREEMENT: This purchase agreement shall constitute the entire agreement between Seller and Buyer, and supersedes any other written or oral agreements between Seller and Buyer. This purchase agreement can be modified only in writing signed by Seller and Buyer.
- b. VALIDITY OF AGREEMENT: This agreement is not valid until fully executed by both parties.
- c. PRORATION OF RENTS: All rents collected in the month of closing shall be prorated to the date of closing with Seller getting credit for the date of closing.
- d. EXCHANGE OF PROPERTY. Buyer and Seller shall cooperate with the other should either elect to have the property as part of a like-kind exchange under IRC Section 1031. Seller is notifying that it is participating in a 1031 exchange and therefore Buyer agrees to execute any reasonable documents requested by the Q1 to complete the exchange.
- e. VACANCIES: Currently there are several vacancies at the property. Seller agrees to not enter into any new lease agreements for those vacancies or any unit that becomes vacant prior to closing. Seller and Buyer agree that Seller will also not be doing work on those units to repair/renovate them and therefore Buyer agrees that Seller has no further obligation to work on any vacant units at the Property prior to closing of the sale. This clause becomes applicable after the full execution of the agreement and the placement of the earnest money by Buyer with Seller's closing agent.

Dated: 04/18/25

Authentisign  
Tom Gallagher

Housing Hub, LLC by

Dated: 4/17/25

Kenneth Hertz  
Hamline Housing Trust, LLC by  
Kenneth Hertz- its Member