

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

CROSIER FATHERS OF ONAMIA, a
Minnesota non-profit corporation,

Chapter 11

Case No. 17-41682

Debtor.

NOTICE OF HEARING AND MOTION FOR AN ORDER (I) GRANTING EXPEDITED RELIEF; (II) AUTHORIZING THE TRANSFER OF REAL PROPERTY UNDER A CONTRACT FOR DEED; AND (III) APPROVING THE SALE OF REAL PROPERTY

TO: The United States Bankruptcy Judge, the United States Trustee, and other parties-in-interest as specified in Local Rule 9013-3(a)(2).

Crosier Fathers of Onamia, debtor in the above-captioned reorganization case, hereby respectfully moves the court for the relief requested below and gives notice of hearing:

1. The court will hold a hearing on this motion before the Honorable Robert J. Kressel on **September 28, 2017 at 10:00 a.m. in Courtroom 8 West, at the United States Courthouse, 300 South Fourth Street, Minneapolis, Minnesota 55415.**

2. Local Rule 9006-1(c) provides deadlines for responses to this motion. However, given the expedited nature of this motion, the debtors will not object to the filing of a response to this motion at any time prior to or at the hearing. **UNLESS A RESPONSE OPPOSING THE MOTION IS TIMELY FILED, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT A HEARING.**

3. The Court has jurisdiction over this motion pursuant to 28 U.S.C. §§ 157 and 1334, Fed. R. Bankr. P. 5005, and Local Rules 1070-1 and 1073-1. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. This motion arises under 11 U.S.C. §§ 105(a), 363 and 541 and Bankruptcy Rules 2002 and 6004. This motion is filed under Local Rules 9013-1 through 9013-3. Expedited relief is requested pursuant to Bankruptcy Rule 9006(c) and Local Rule 9006-1(e). Notice of the hearing on this motion is provided pursuant to Bankruptcy Rule 2002(a) and Local Rules 2002-1(b) and 9013-3. Notice of this motion has been provided in accordance with the provisions of Local Rule 2002-1 concerning a sale of less than substantially all of the debtor's assets.

RELIEF REQUESTED

5. The debtor requests an order approving the sale of certain vacant and undeveloped real property located in Benton County, Minnesota, known as parcel number 09.00313.00, for the total sum of \$165,000.00, of which one-fifth of the net proceeds will be remitted to the debtor. The sale of the property is governed by the Purchase Agreement: Vacant Land (Residential) dated August 25, 2017. A true and correct copy of the Purchase Agreement is attached hereto as **Exhibit A**.

6. The debtor further requests an order authorizing it to comply with its obligations under a Contract for Deed by accepting the remaining payment due under the Contract for Deed and deeding a certain portion of the same parcel of real property to the purchaser. A true and correct copy of the Contract for Deed is attached hereto as **Exhibit B**.

7. Bankruptcy Rule 6004(h) provides, in substance, that an order authorizing the use, sale, or lease of a debtor's property is stayed for a period of fourteen (14) days after entry of the order unless the Court orders otherwise. The debtor understands the value of this rule to preserve parties' rights in cases where objections to sales are filed and not resolved consensually. However, the debtor does not believe that a stay pending appeal will be necessary or appropriate under the

circumstances of this case. For this reason, the debtor requests that any order approving the sale be effective immediately.

BACKGROUND

8. The debtor filed its voluntary petition on June 1, 2017 and has remained a debtor-in-possession pursuant to 11 U.S.C. §§ 1107(a) and 1108.

9. For a description of the debtor and its operations, the debtor respectfully refers the court and parties-in-interest to the “Declaration of Thomas A. Enneking, osc in Support of Chapter 11 Petitions” [Dkt. No. 9].

10. The property is approximately 30.89 acres of vacant and undeveloped land located in Benton County, Minnesota. The property was part of the estate of Raymond F. Blank, who left a one-fifth interest in the property to the debtor upon his death, with the remaining four-fifths interest being held by four separate members of Mr. Blank’s family.

11. On March 18, 2015, the four Blank family members and the debtor entered into a Contract for Deed pursuant to which they sold approximately 2 acres of the 30.89 acre parcel to James D. Trewick and Barbara A. Trewick. The Contract for Deed was never recorded, but is fully executed and notarized by all parties.

12. Under the Contract for Deed, the Trewicks agreed to pay the total sum of \$27,500.00 in interest only installments of \$137.50 per month, at 6% per annum. The first monthly installment was due on April 18, 2015, and each installment thereafter was due on the first day of each succeeding month, with a final balloon payment of the entire remaining balance coming due on September 7, 2017.

13. The Contract for Deed provides that upon full performance by the Trewicks, the sellers are obligated to, among other things, “deliver to Purchasers a Personal Representative’s Deed, in recordable form, conveying marketable title to the property to Purchasers”

14. The Trewicks have made all monthly installments required under the Contract for Deed, and are prepared to make the final balloon payment in the amount of \$27,500.00. Once that payment is made, the sellers will be obligated to transfer the property to the Trewicks.

15. While the debtor believes it, along with the other four owners of the property, will be legally obligated to transfer the property under the Contract for Deed and could be compelled to transfer the property in a legal proceeding, the debtor requests the court’s approval of the transfer in an abundance of caution.

16. The assessed value of the property is \$247,000.00; the value of the debtor’s one-fifth interest in the property was scheduled as having one-fifth of the total assessed value of the property, or \$49,400.00.

17. Although the assessed value of the property is \$247,000.00, the debtor and other owners believe the property is worth significantly less due to the fact that only one residence can be constructed on the property, which is a right that the other owners only recently succeeded in getting.

18. As for the remaining approximately 28.89 acres, the lower value is demonstrated by unsuccessful efforts to sell the property over the past four years. The Blanks were offering the property for sale by word of mouth in the community for approximately three and a half years, but received no offers.

19. Approximately six months ago, the property was formally listed for sale with a purchase price of \$225,000.00. The property has been listed for sale ever since.

20. As mentioned above, as part of their efforts to sell the property, the parties have attempted to work with the City of Sauk Rapids, Minnesota to ensure that a dwelling can be constructed on the 28.89 acres. While those efforts have been successful, the property may only have one dwelling on it.

21. Since listing the property, the Blanks have received only one offer, which is the current offer on the property.

22. The initial offer was \$150,000.00, but the Blanks' counter offer of \$165,000.00 was accepted by H + W Contractors LLC. The debtor would receive 20% of the net sale proceeds for its 20% interest in the property.

23. H + W Contractors LLC is a third party unrelated to the debtors and the other owners of the property, and the Purchase Agreement represents an arms-length transaction negotiated in good faith.

24. The Purchase Agreement provides that the sale is to close on September 25, 2017.

25. Due to that closing date, and a concern on the part of the debtor and other owners about losing their only offer on the property should there be a delay in closing the sale, the debtor is requesting expedited relief to ensure that the sale closes in a timely manner.

26. The debtor receives no income from its minority interest in the property, and is obligated to pay its portion of the property taxes, which on a yearly basis are approximately \$2,500.00. Selling the property will allow the debtor to realize actual value for the property and eliminate the obligation to pay future property taxes on a property it is otherwise unable to use or sell.

27. To the best of the debtor's knowledge, the property is not subject to any existing liens or encumbrances other than the Contract for Deed.

28. The debtor has discussed the relief requested herein with the committee, and the committee fully supports this motion.

29. This motion is supported by the attached memorandum of law and proposed order.

WHEREFORE, the debtor requests entry of an order:

- A. Granting expedited relief;
- B. Approving the sale of the property;
- C. Authorizing the transfer of the portion of the property under the Contract for Deed upon receipt of full payment;
- D. Waiving the stay provision of Bankruptcy Rule 6004(h); and
- E. Granting such other and further relief as the court deems just and equitable under the circumstances.

Dated: September 20, 2017.

QUARLES & BRADY LLP

/s/ Elizabeth S. Fella

Susan G. Boswell (AZ Bar No. 004791)

Lori L. Winkelman (AZ Bar No. 021400)

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Counsel for the Debtor

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

CROSIER FATHERS OF ONAMIA, a
Minnesota non-profit corporation,

Debtor.

Chapter 11

Case No. 17-41682

VERIFICATION OF KERMIT HOLL, OSC

I, Kermit Holl, President of the Crosier Fathers of Onamia, declare under penalty of perjury that the facts contained in the motion and memorandum are true and correct to the best of my knowledge, information and belief.

Executed on: September 19, 2017



/s/ Kermit Holl
KERMIT HOLL, osc

EXHIBIT A



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

This form approved by the Minnesota Association of REALTORS®, which disclaims any liability arising out of use or misuse of this form. © 2017 Minnesota Association of REALTORS®, Edina, MN

1. Date 8/25/2017

2. Page 1

3. BUYER(S): H & W Contractors LLC

4. _____

5. Buyer's earnest money in the amount of _____

6. Five Thousand Dollars (\$ 5,000.00)

7. shall be delivered to listing broker, or, if checked, to _____ no later than two (2) Business Days after Final Acceptance Date of this Purchase Agreement. Buyer and Seller agree that earnest money shall be deposited in the trust account of Earnest Money Holder as specified above within three (3) Business Days of receipt of the earnest money or Final Acceptance Date of this Purchase Agreement, whichever is later.

8. Said earnest money is part payment for the purchase of the property located at

9. Street Address: XXX 15th Street NE

10. City of Sauk Rapids, County of Benton State of Minnesota, legally

11. described as

12. **SECT-22 TWP-036 RANGE-030 30.89 AC PART OF S1/2 SE1/4 LYING W OF FOLL LINE COMM 1780.54 FT E OF S1/4 CORNER SECT 22 TH N TO N LINE S1/2 SE1/4 LESS DONA RAY PLAT & LESS PARCEL 219 MNDOT R/W PLAT 05-9**

13. including all fixtures, if any, **AND** **INCLUDING** **EXCLUDING** the following personal property, if any, which shall be transferred with no additional monetary value, and free and clear of all liens and encumbrances:

14. _____

15. _____

16. _____

17. _____

18. _____

(collectively the "Property").

PURCHASE PRICE:

19. Seller has agreed to sell the Property to Buyer for the sum of (\$ 165,000.00)

20. One Hundred Sixty-Five Thousand

21. _____ Dollars,

22. which Buyer agrees to pay in the following manner:

23. 1. 0 percent (%) of the sale price in **CASH**, or more in Buyer's sole discretion, which includes the earnest money;

24. 2. 100 percent (%) of the sale price in **MORTGAGE FINANCING**. (See following Mortgage Financing section.)

25. 3. 0 percent (%) of the sale price by **ASSUMING** Seller's current mortgage. (See attached *Addendum to Purchase Agreement: Assumption Financing*.)

26. 4. 0 percent (%) of the sale price by **CONTRACT FOR DEED**. (See attached *Addendum to Purchase Agreement: Contract for Deed Financing*.)

CLOSING DATE:

27. The date of closing shall be September 22nd, 20 17.



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

38. Page 2 Date 8/25/2017

39. Property located at XXX 15th Street NE Sauk Rapids MN 56379

MORTGAGE FINANCING:

40. This Purchase Agreement **IS** **IS NOT** subject to the mortgage financing provisions below. If **IS**, complete the
41. *(Check one.)*

42. **MORTGAGE FINANCING** section below. If **IS NOT**, proceed to the **SELLER'S CONTRIBUTIONS TO BUYER'S**
43. **COSTS** section.

44. Such mortgage financing shall be: *(Check one.)*

45. **FIRST MORTGAGE only** **FIRST MORTGAGE AND SUBORDINATE FINANCING.**

46. Buyer shall apply for and secure, at Buyer's expense, a: *(Check all that apply.)*

47. **CONVENTIONAL**

48. **DEPARTMENT OF VETERANS' AFFAIRS ("DVA") GUARANTEED**

49. **FEDERAL HOUSING ADMINISTRATION ("FHA") INSURED**

50. **MINNESOTA HOUSING FINANCE AGENCY ("MHFA")**

51. **PRIVATELY INSURED CONVENTIONAL**

52. **UNITED STATES DEPARTMENT OF AGRICULTURE ("USDA") RURAL DEVELOPMENT**

53. **OTHER** _____

54. mortgage in the amount stated in this Purchase Agreement, amortized over a period of not more than 30
55. years, with an initial interest rate at no more than 7 percent (%) per annum. The mortgage application **IS**
56. **TO BE MADE WITHIN FIVE (5) BUSINESS DAYS** after the Final Acceptance Date of this Purchase Agreement. Buyer
57. agrees to use best efforts to secure a commitment for such financing and to execute all documents required to
58. consummate said financing.

59. **MORTGAGE FINANCING CONTINGENCY:** This Purchase Agreement is contingent upon the following and applies
60. to the first mortgage and any subordinate financing. *(Check one.)*

61. If Buyer cannot secure the financing specified in this Purchase Agreement, and this Purchase Agreement does not
62. close on the closing date specified, this Purchase Agreement is canceled. Buyer and Seller shall immediately
63. sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here
64. to be **REFUNDED TO BUYER** **FORFEITED TO SELLER.**
(Check one.)

65. **NOTE:** If this Purchase Agreement is subject to DVA or FHA financing, **FORFEITED TO SELLER** may be
66. prohibited. See the following DVA and FHA Escape Clauses.

67. Buyer shall provide Seller, or licensee representing or assisting Seller, with the Written Statement, on
68. or before _____, 20____.

69. For purposes of this Contingency, "**Written Statement**" means a Written Statement prepared by Buyer's mortgage
70. originator(s) or lender(s) after the Final Acceptance Date that Buyer is approved for the loan(s) specified in this
71. Purchase Agreement, including both the first mortgage and any subordinate financing, if any, and stating that an
72. appraisal, satisfactory to the lender(s), has been completed and stating conditions required by lender(s) to close
73. the loan.

74. Upon delivery of the Written Statement to Seller, or licensee representing or assisting Seller, the obligation for
75. satisfying all conditions required by mortgage originator(s) or lender(s), except those conditions specified below,
76. are deemed accepted by Buyer:

- 77. (a) work orders agreed to be completed by Seller;
- 78. (b) any other financing terms agreed to be completed by Seller here; and
- 79. (c) any contingency for the sale and closing of Buyer's property pursuant to this Purchase Agreement.

80. Upon delivery of the Written Statement, if this Purchase Agreement does not close on the stated closing date for
81. ANY REASON relating to financing, including, but not limited to interest rate and discount points, if any, then Seller
82. may, at Seller's option, declare this Purchase Agreement canceled, in which case this Purchase Agreement is
83. canceled. If Seller declares this Purchase Agreement canceled, Buyer and Seller shall immediately sign a
84. *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be
85. forfeited to Seller as liquidated damages. In the alternative, Seller may seek all other remedies allowed by law.



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

86. Page 3 Date 8/25/2017

87. Property located at XXX 15th Street NE Sauk Rapids MN 56379

88. Notwithstanding the language in the preceding paragraph, Seller may not declare this Purchase Agreement canceled if the reason this Purchase Agreement does not close was due to:

- 89. (a) Seller's failure to complete work orders to the extent required by this Purchase Agreement;
- 90. (b) Seller's failure to complete any other financing terms agreed to be completed by Seller here; or
- 91. (c) any contingency for the sale and closing of Buyer's property pursuant to this Purchase Agreement, except as
- 92. specified in the contingency for sale and closing of Buyer's property.
- 93.

94. If the Written Statement is not provided by the date specified on line 68, Seller may, at Seller's option, declare this Purchase Agreement canceled by written notice to Buyer at any time prior to Seller receiving the Written Statement, in which case this Purchase Agreement is canceled. In the event Seller declares this Purchase Agreement canceled, Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.

95. If the Written Statement is not provided, and Seller has not previously canceled this Purchase Agreement, this Purchase Agreement is canceled as of the closing date specified in this Purchase Agreement. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.

103. **LOCKING OF MORTGAGE INTEREST RATE ("RATE"):** The Rate shall be locked with the lender(s) by Buyer:
104. *(Check one.)*

- 105. **WITHIN FIVE (5) BUSINESS DAYS OF FINAL ACCEPTANCE DATE OF THIS PURCHASE AGREEMENT; OR**
- 106. **AT ANY TIME PRIOR TO CLOSING OR AS REQUIRED BY LENDER(S).**

107. **LENDER COMMITMENT WORK ORDERS:** Nothing in this Purchase Agreement shall be construed as a warranty that Seller shall make repairs required by the lender commitment. However, Seller agrees to pay up to
109. \$ 0.00 to make repairs as required by the lender commitment. If the lender commitment is subject to any work orders for which the cost of making said repairs shall exceed this amount, Seller shall have the following options:

- 112. (a) making the necessary repairs; or
- 113. (b) negotiating the cost of making said repairs with Buyer; or
- 114. (c) declaring this Purchase Agreement canceled, in which case this Purchase Agreement is canceled. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be refunded to Buyer, unless Buyer provides for payment of the cost of said repairs or escrow amounts related thereto above the amount specified on line 109 of this Purchase Agreement.

118. **SELLER** **BUYER** agrees to pay any reinspection fee required by Buyer's lender(s).
(Check one)

119. **FHA ESCAPE CLAUSE (FHA Financing only):** "It is expressly agreed that, notwithstanding any other provisions of this contract, the purchaser shall not be obligated to complete the purchase of the Property described here or to incur any penalty by forfeiture of earnest money deposits or otherwise, unless the purchaser has been given in accordance with the Department of Housing and Urban Development ("HUD")/FHA or DVA requirements a written statement by the Federal Housing Commissioner, Department of Veterans' Affairs, or a Direct Endorsement lender setting forth the appraised value of the Property as not less than \$ _____ (sale price)

125. The purchaser shall have the privilege and option of proceeding with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation is arrived at to determine the maximum mortgage HUD will insure; HUD does not warrant the value nor the condition of the Property. The purchaser should satisfy himself/herself that the price and condition of the Property are acceptable."

130. **LENDER PROCESSING FEES (FHA, DVA Financing Only):** Seller agrees to pay Buyer's closing fees and miscellaneous processing fees which cannot be charged to Buyer, not to exceed \$ _____
132. This amount is in addition to Seller's Contributions to Buyer's Costs, if applicable.



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

133. Page 4 Date 8/25/2017

134. Property located at XXX 15th Street NE Sauk Rapids MN 56379

135. **DVA FUNDING FEE (DVA Financing only):** Pursuant to federal regulations, a one-time Funding Fee must be paid
136. at the closing of this transaction as follows:

137. _____ paid by Buyer **AT CLOSING** **ADDED TO MORTGAGE AMOUNT**
(Check one.)

138. _____ paid by Seller

139. **NOTE: DVA regulations limit the fees and charges Buyer can pay to obtain a DVA loan.**

140. **DEPARTMENT OF VETERANS' AFFAIRS ESCAPE CLAUSE (DVA Financing only):** "It is expressly agreed that,
141. notwithstanding any other provisions of this contract, the purchaser shall not incur any penalty by forfeiture of earnest
142. money or otherwise be obligated to complete the purchase of the Property described here, if the contract purchase
143. price or cost exceeds the reasonable value of this Property established by the Department of Veterans' Affairs. The
144. purchaser shall, however, have the privilege and option of proceeding with the consummation of this contract without
145. regard to the amount of reasonable value established by the Department of Veterans' Affairs."

146. **NOTE: Verify DVA requirements relating to payment of all special assessments levied and pending, and**
147. **annual installments of special assessments certified to yearly taxes.**

148. **OTHER MORTGAGE FINANCING ITEMS:** _____

149. _____

SELLER'S CONTRIBUTIONS TO BUYER'S COSTS:

151. Seller **IS** **IS NOT** contributing to Buyer's costs. If answer is **IS**, Seller agrees to pay at closing, up to: (Check one.)
(Check one.)

152. \$ _____

153. _____ percent (%) of the sale price

154. _____ percent (%) of the mortgage amount

155. towards Buyer's closing fees, title service fees, title searches, title examinations, abstracting, lender's title insurance,
156. owner's title insurance, prepaid items, other Buyer's costs allowable by lender, if any, and/or mortgage discount points. Any
157. amount of Seller's contribution that exceeds Buyer's allowable costs, or which cannot be used because Seller's
158. contribution exceeds the maximum Seller contribution allowed by law or by mortgage requirements, shall be retained
159. by Seller.

160. **NOTE: The amount paid by Seller cannot exceed the maximum Seller contribution allowed by FHA, DVA, or**
161. **lender. All funds paid by Seller on behalf of Buyer must be stated on the Closing Disclosure at closing.**

INSPECTIONS:

162. _____
163. Buyer has been made aware of the availability of Property inspections. Buyer **Elects** **Declines** to have a Property
164. inspection performed at Buyer's expense. (Check one.)

165. This Purchase Agreement **IS** **IS NOT** contingent upon any inspection(s) of the Property obtained by Buyer to
(Check one.)

166. determine its condition, including any non-intrusive testing or any intrusive testing as allowed pursuant to this Purchase
167. Agreement. Any inspection(s) or test(s) shall be done by an inspector(s) or tester(s) of Buyer's choice. **Buyer shall**
168. **satisfy Buyer as to the qualifications of the inspector(s) or tester(s).** For purposes of this Purchase Agreement,
169. "intrusive testing" shall mean any testing, inspection(s), or investigation(s) that changes the Property from its original
170. condition or otherwise damages the Property.

171. Seller **DOES** **DOES NOT** agree to allow Buyer to perform intrusive testing or inspection(s).
(Check one.)

172. If answer is **DOES**, Buyer agrees that the Property shall be returned to the same condition it was in prior to Buyer's
173. intrusive testing at Buyer's sole expense.



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

174. Page 5 Date 8/25/2017

175. Property located at XXX 15th Street NE Sauk Rapids MN 56379

176. All inspection(s), test(s), and resulting negotiations, if any, shall be done within _____ Calendar Days of Final
177. Acceptance Date of this Purchase Agreement ("Inspection Period"). Buyer may cancel this Purchase Agreement based
178. on the inspection(s) or test result(s) by providing written notice to Seller, or licensee representing or assisting Seller, of
179. Buyer's intent to cancel no later than the end of the Inspection Period. If Buyer cancels this Purchase Agreement,
180. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and
181. directing all earnest money paid here to be refunded to Buyer. If Buyer does not cancel this Purchase Agreement
182. before the end of the Inspection Period, then this Inspection Contingency shall be deemed removed and this Purchase
183. Agreement shall be in full force and effect.

184. Seller, or licensee representing or assisting Seller, SHALL **SHALL NOT** have the right to continue to offer
(Check one.)
185. the Property for sale until this Inspection Contingency is removed.

186. **OTHER INSPECTION ITEMS:** _____
187. _____

SALE OF BUYER'S PROPERTY:

188. _____
189. *(Check one.)*

190. 1. This Purchase Agreement is subject to an *Addendum to Purchase Agreement: Sale of Buyer's Property*
191. *Contingency* for the sale of Buyer's property. (If checked, see attached *Addendum*.)

192. OR

193. 2. This Purchase Agreement is contingent upon the successful closing on the Buyer's property located at
194. _____, which is scheduled to close on

195. _____, 20 _____ pursuant to a fully executed purchase agreement. If Buyer's
196. property does not close by the closing date specified in this Purchase Agreement, this Purchase Agreement
197. is canceled. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said
198. cancellation and directing all earnest money paid here to be refunded to Buyer. The language in this paragraph
199. supersedes any other provision to the contrary in any financing contingency made a part of this Purchase
200. Agreement, if applicable.

201. OR

202. 3. Buyer represents that Buyer has the financial ability to perform on this Purchase Agreement without the sale
203. and closing on any other property.

REAL ESTATE TAXES/SPECIAL ASSESSMENTS:

205. **REAL ESTATE TAXES:** Seller shall pay on the date of closing all real estate taxes due and payable in all prior years
206. including all penalties and interest.

207. Buyer shall pay **PRORATED FROM DAY OF CLOSING** _____ 12ths OF **ALL** **NO** real estate
(Check one.)
208. taxes due and payable in the year of closing.

209. Seller shall pay **PRORATED TO DAY OF CLOSING** _____ 12ths OF **ALL** **NO** real estate taxes
(Check one.)
210. due and payable in the year of closing.

211. Buyer shall pay real estate taxes due and payable in the year following closing and thereafter, the payment of which
212. is not otherwise here provided. No representations are made concerning the amount of subsequent real estate
213. taxes.

DEFERRED TAXES/SPECIAL ASSESSMENTS:

215. **BUYER SHALL PAY** **SELLER SHALL PAY** on date of closing any deferred real estate taxes
(Check one.)

216. (e.g. Green Acres) or special assessments, payment of which is required as a result of the closing of this sale.



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

217. Page 6 Date 8/25/2017

- 218. Property located at XXX 15th Street NE Sauk Rapids MN 56379
- 219. BUYER AND SELLER SHALL PRORATE AS OF THE DATE OF CLOSING SELLER SHALL PAY ON _____
(Check one.)
- 220. DATE OF CLOSING all installments of special assessments certified for payment, with the real estate taxes due and payable in the year or closing.
- 221. BUYER SHALL ASSUME SELLER SHALL PAY on date of closing all other special assessments levied as _____
(Check one.)
- 222. of the date of this Purchase Agreement.
- 223. BUYER SHALL ASSUME SELLER SHALL PROVIDE FOR PAYMENT OF special assessments pending as _____
(Check one.)
- 224. of the date of this Purchase Agreement for improvements that have been ordered by any assessing authorities.
- 225. (Seller's provision for payment shall be by payment into escrow of two (2) times the estimated amount of the assessments or less, as required by Buyer's lender.)
- 226. Buyer shall pay any unpaid special assessments payable in the year following closing and thereafter, the payment of which is not otherwise here provided.
- 227. As of the date of this Purchase Agreement, Seller represents that Seller HAS HAS NOT received a notice _____
(Check one.)
- 228. regarding any new improvement project from any assessing authorities, the costs of which project may be assessed against the Property. Any such notice received by Seller after the date of this Purchase Agreement and before closing shall be provided to Buyer immediately. If such notice is issued after the date of this Purchase Agreement and on or before the date of closing, then the parties may agree in writing, on or before the date of closing, to pay, provide for the payment of, or assume the special assessments. In the absence of such agreement, either party may declare this Purchase Agreement canceled by written notice to the other party, or licensee representing or assisting the other party, in which case this Purchase Agreement is canceled. If either party declares this Purchase Agreement canceled, Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.

ADDITIONAL PROVISIONS:

- 240. **PREVIOUSLY WRITTEN PURCHASE AGREEMENT:** This Purchase Agreement IS IS NOT subject to _____
(Check one.)
- 241. cancellation of a previously written purchase agreement dated _____, 20 _____
- 242. (If answer is IS, said cancellation shall be obtained no later than _____, 20 _____
- 243. If said cancellation is not obtained by said date, this Purchase Agreement is canceled. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.)
- 244. **SPECIAL CONTINGENCIES:** This Purchase Agreement is subject to the following contingencies, and if the contingencies checked below are not satisfied or waived, in writing, by Buyer by _____, 20 _____
- 245. this Purchase Agreement is canceled as of said date. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.
- 246. (Select appropriate options a-i.)
- 247. (a) BUYER SELLER shall provide a certificate of survey of the Property, at BUYER SELLER _____
(Check one.) expense.
- 248. (b) Buyer obtaining approval of city/township of proposed building plans and specifications at BUYER SELLER expense.
(Check one.)
- 249. (c) Buyer obtaining approval of city/township of proposed subdivision development plans at BUYER SELLER expense.
(Check one.)
- 250. (d) Buyer obtaining approval of city/township for rezoning or use permits at BUYER SELLER expense.
(Check one.)



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

260. Page 7 Date 8/25/2017

261. Property located at XXX 15th Street NE Sauk Rapids MN 56379

262. (e) Buyer obtaining, at BUYER SELLER expense, percolation tests which are acceptable to Buyer.
(Check one.)

263. (f) Buyer obtaining, at BUYER SELLER expense, soil tests which indicate that the Property may be improved without extraordinary building methods or cost.
(Check one.)

264. (g) Buyer obtaining approval of building plans and/or specifications in accordance with any recorded subdivision covenants and approval of the architectural control committee.

265. (h) Buyer obtaining, at BUYER SELLER expense, copies of all covenants, reservations, and restrictions affecting the Property.
(Check one.)

266. (i) Other: _____

267. _____

268. Seller's expenses for these contingencies (if any) shall not exceed \$ _____

269. **DEED/MARKETABLE TITLE:** Upon performance by Buyer, Seller shall deliver a: *(Check one.)*

270. Warranty Deed, Personal Representative's Deed, Contract for Deed, Trustee's Deed, or

271. Other: _____ Deed joined in by spouse, if any, conveying marketable title, subject to

272. (a) building and zoning laws, ordinances, state and federal regulations;

273. (b) restrictions relating to use or improvement of the Property without effective forfeiture provisions;

274. (c) reservation of any mineral rights by the State of Minnesota;

275. (d) utility and drainage easements which do not interfere with existing improvements;

276. (e) rights of tenants as follows (unless specified, not subject to tenancies): _____

277. _____; and

278. (f) others (must be specified in writing): _____

279. _____

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

281. IMMEDIATELY AFTER CLOSING; or

282. OTHER: _____

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

284. **PRORATIONS:** All interest; unit owners' association dues; rents; and charges for city water, city sewer, electricity, and natural gas shall be prorated between the parties as of date of closing. Buyer shall pay Seller for remaining gallons of fuel oil or liquid petroleum gas on the day of closing, at the rate of the last fill by Seller.

285. **TITLE AND EXAMINATION:** Within a reasonable time period after Final Acceptance Date of this Purchase Agreement, Seller shall provide one of the following title evidence options, at Seller's selection, which shall include proper searches covering bankruptcies, state and federal judgments and liens, and levied and pending special assessments to Buyer or Buyer's designated title service provider:

286. (a) 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 as selected by Buyer. Seller shall be responsible for the title search and exam costs related to the commitment. Buyer shall be responsible for all additional costs related to the issuance of the title insurance policy(ies), including but not limited to the premium(s), Buyer's name search and plat drawing, if any. Seller shall deliver any abstract of title and a copy of any owner's title insurance policy for the Property, if in Seller's possession or control, to Buyer or Buyer's designated title service provider. Any abstract of title or owner's title insurance policy provided shall be immediately returned to Seller, or licensee representing or assisting Seller, upon cancellation of this Purchase Agreement.



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

303. Page 8 Date 8/25/2017

304. Property located at XXX 15th Street NE Sauk Rapids MN 56379
305. (b) An Abstract of Title certified to date if Abstract Property or a Registered Property Abstract ("RPA") certified to date
306. if Registered (Torrens) Property. Seller shall pay for the abstracting or RPA costs and deliver any abstract for
307. this Property in Seller's possession or control to Buyer or Buyer's designated title service provider. Any abstract
308. provided shall be immediately returned to Seller, or licensee representing or assisting Seller, upon cancellation of
309. this Purchase Agreement. If Property is Abstract and Seller does not have an abstract of title, Option (a) will
310. automatically apply.
311. Seller shall use Seller's best efforts to provide marketable title by the date of closing. In the event that Seller has not
312. provided marketable title by the date of closing, Seller shall have an additional thirty (30) days to make title marketable
313. or, in the alternative, Buyer may waive title defects by written notice to Seller. In addition to the thirty (30)-day extension,
314. Buyer and Seller may by mutual agreement further extend the closing date. Lacking such extension, either party may
315. declare this Purchase Agreement canceled by written notice to the other party, or licensee representing or assisting
316. the other party, in which case this Purchase Agreement is canceled. If either party declares this Purchase Agreement
317. canceled, Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation
318. and directing all earnest money paid here to be refunded to Buyer.
319. **SUBDIVISION OF LAND, BOUNDARIES, AND ACCESS:** If this sale constitutes or requires a subdivision of land
320. owned by Seller, Seller shall pay all subdivision expenses and obtain all necessary governmental approvals. This
321. provision deals with the necessity of subdividing land to complete the sale of the Property described here in contrast
322. to the subdivision provision of lines 257-258 which deals with the future development plans of Buyer. Seller warrants
323. the legal description of the real Property to be conveyed has been or shall be approved for recording as of the date of
324. closing. Seller warrants that there is a right of access to the Property from a public right-of-way.
325. **MECHANIC'S LIENS:** Seller warrants that prior to the closing, payment in full will have been made for all labor,
326. materials, machinery, fixtures, or tools furnished within the 120 days immediately preceding the closing.
327. **NOTICES:** Seller warrants that Seller has not received any notice from any governmental authority as to condemnation
328. proceedings or violation of any law, ordinance, or regulation. If the Property is subject to restrictive covenants, Seller
329. warrants that Seller has not received any notice from any person or authority as to a breach of the covenants. Any
330. such notices received by Seller shall be provided to Buyer immediately.
331. **DIMENSIONS:** Buyer acknowledges any dimensions, square footage, or acreage of land or improvements provided
332. by Seller, third party, or broker representing or assisting Seller are approximate. Buyer shall verify the accuracy of
333. information to Buyer's satisfaction, if material, at Buyer's sole cost and expense.
334. **ACCESS AGREEMENT:** Seller agrees to allow Buyer reasonable access to the Property for performance of any
335. surveys, inspections or tests, or for water, sewer, gas, or electrical service hookup as agreed to here. Buyer shall
336. restore the premises to the same condition it was in prior to the surveys, inspections, or tests and pay for any
337. restoration costs relative thereto.
338. **RISK OF LOSS:** If there is any loss or damage to the Property between the Final Acceptance Date and the date of closing
339. for any reason, including fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on Seller. If the Property
340. is destroyed or substantially damaged before the closing date, this Purchase Agreement is canceled, at Buyer's
341. option, by written notice to Seller or licensee representing or assisting Seller. If Buyer cancels this Purchase Agreement,
342. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and
343. directing all earnest money paid here to be refunded to Buyer.
344. **TIME OF ESSENCE:** Time is of the essence in this Purchase Agreement.
345. **CALCULATION OF DAYS:** Any calculation of days begins on the first day (Calendar or Business Days as specified)
346. following the occurrence of the event specified and includes subsequent days (Calendar or Business Days as specified)
347. ending at 11:59 P.M. on the last day.
348. **BUSINESS DAYS:** "Business Days" are days which are not Saturdays, Sundays, or state and federal holidays
349. unless stated elsewhere by the parties in writing.
350. **CALENDAR DAYS:** "Calendar Days" include Saturdays, Sundays, or state or federal holidays.



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

351. Page 9 Date 8/25/2017

352. Property located at XXX 15th Street NE Sauk Rapids MN 56379

353. **RELEASE OF EARNEST MONEY:** Buyer and Seller agree that the Earnest Money Holder shall release earnest
354. money from the Earnest Money Holder's trust account:
355. (a) at or upon the successful closing of the Property;
356. (b) pursuant to written agreement between the parties, which may be reflected in a *Cancellation of Purchase*
357. *Agreement* executed by both Buyer and Seller;
358. (c) upon receipt of an affidavit of a cancellation under MN Statute 559.217; or
359. (d) upon receipt of a court order.

360. **DEFAULT:** If Buyer defaults in any of the agreements here, Seller may cancel this Purchase Agreement, and any
361. payments made here, including earnest money, shall be retained by Seller as liquidated damages and Buyer and
362. Seller shall affirm the same by a written cancellation agreement.

363. If Buyer defaults in any of the agreements here, Seller may terminate this Purchase Agreement under the
364. provisions of either MN Statute 559.21 or MN Statute 559.217, whichever is applicable. If either Buyer or Seller
365. defaults in any of the agreements here or there exists an unfulfilled condition after the date specified for fulfillment,
366. either party may cancel this Purchase Agreement under MN Statute 559.217, Subd. 3. Whenever it is provided here
367. that this Purchase Agreement is canceled, said language shall be deemed a provision authorizing a Declaratory
368. Cancellation under MN Statute 559.217, Subd. 4.

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

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

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

381. **SPECIAL DISCLOSURES:** Seller discloses, to the best of Seller's knowledge, that the Property described in this
382. Purchase Agreement consists of approximately 26.5 **ACRES** **SQUARE FEET** and is currently zoned
(Check one.)

383. _____

384. Seller discloses, to the best of Seller's knowledge, that the Property **IS** **IS NOT** in a designated flood plain
(Check one.)
385. area.

386. Seller discloses, to the best of Seller's knowledge, that the Property **DOES** **DOES NOT** currently receive
(Check one.)
387. preferential tax treatment (e.g. Green Acres).

388. Seller discloses, to the best of Seller's knowledge, that the Property **IS** **IS NOT** enrolled in any federal, state, or
(Check one.)
389. local governmental programs (e.g., CREP, CRP, EQIP, WRP, conservation programs, riparian buffers, Sustainable
390. Forest Incentive Act, etc.).



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

391. Page 10 Date 8/25/2017

392. Property located at XXX 15th Street NE Sauk Rapids MN 56379

393. **BUYER HAS THE RIGHT TO A WALK-THROUGH REVIEW OF THE PROPERTY PRIOR TO CLOSING TO ESTABLISH THAT THE PROPERTY IS IN SUBSTANTIALLY THE SAME CONDITION AS OF THE DATE OF THIS PURCHASE AGREEMENT.**

396. BUYER HAS RECEIVED A: (Check any that apply.) **DISCLOSURE STATEMENT: VACANT LAND OR A**

397. **DISCLOSURE STATEMENT: SELLER'S DISCLOSURE ALTERNATIVES FORM.**

398. **DESCRIPTION OF PROPERTY CONDITION:** See *Disclosure Statement: Vacant Land* or *Disclosure Statement: Seller's Disclosure Alternatives* for description of disclosure responsibilities and limitations, if any.

400. **BUYER HAS RECEIVED THE INSPECTION REPORTS, IF REQUIRED BY MUNICIPALITY.**

401. **BUYER IS NOT RELYING ON ANY ORAL REPRESENTATIONS REGARDING THE CONDITION OF THE PROPERTY.**

402. **ENVIRONMENTAL CONCERNS:** To the best of the Seller's knowledge there are no hazardous substances or underground storage tanks, except where noted here:

404. _____

405. _____

406. **UTILITIES:** TO THE BEST OF SELLER'S KNOWLEDGE, THE FOLLOWING PRESENTLY EXIST WITHIN THE PROPERTY:

- 408. Connection to public water Yes No
- 409. Connection to public sewer Yes No
- 410. Connection to private water system off Property Yes No
- 411. Connection to electric utility Yes No
- 412. Connection to natural gas Yes No

413. **PLEASE NOTE:** Buyer may incur additional charges improving the Property, including, but not limited to, hookup and/or access charges; municipal charges; costs for sewer access, stubbing access, water access, park dedication, road access, curb cuts, utility connection and connecting fees; and tree planting charges.

416. (Check appropriate boxes.)

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

418. CITY SEWER YES NO / CITY WATER YES NO

419. **SUBSURFACE SEWAGE TREATMENT SYSTEM**

420. SELLER DOES DOES NOT KNOW OF A SUBSURFACE SEWAGE TREATMENT SYSTEM ON OR _____ (Check one.)

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

422. _____

423. **PRIVATE WELL**

424. SELLER DOES DOES NOT KNOW OF A WELL ON OR SERVING THE PROPERTY. _____ (Check one.)

425. (If answer is **DOES** and well is located on the Property, see *Disclosure Statement: Well*.)

426. TO THE BEST OF SELLER'S KNOWLEDGE, THE PROPERTY IS IS NOT IN A SPECIAL WELL _____ (Check one.)

427. CONSTRUCTION AREA.

428. THIS PURCHASE AGREEMENT IS IS NOT SUBJECT TO AN ADDENDUM TO PURCHASE AGREEMENT: _____ (Check one.)

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

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

431. **IF A WELL OR SUBSURFACE SEWAGE TREATMENT SYSTEM EXISTS ON THE PROPERTY, BUYER HAS**

432. **RECEIVED A DISCLOSURE STATEMENT: WELL AND/OR A DISCLOSURE STATEMENT: SUBSURFACE**

433. **SEWAGE TREATMENT SYSTEM.**



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

434. Page 11 Date 8/25/2017

435. Property located at XXX 15th Street NE Sauk Rapids MN 56379

436.

AGENCY NOTICE

437. Mark Pietig
(Licensee)

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

438. RE/MAX Lakes Area Realty
(Real Estate Company Name)

439. Mark Pietig
(Licensee)

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

440. RE/MAX Lakes Area Realty
(Real Estate Company Name)

441. **THIS NOTICE DOES NOT SATISFY MINNESOTA STATUTORY AGENCY DISCLOSURE REQUIREMENTS.**

442.

DUAL AGENCY REPRESENTATION

443. **PLEASE CHECK ONE OF THE FOLLOWING SELECTIONS:**

444. Dual Agency representation DOES NOT apply in this transaction. *Do not complete lines 445-461.*

445. Dual Agency representation DOES apply in this transaction. *Complete the disclosure in lines 446-461.*

446. Broker represents both the Seller(s) and the Buyer(s) of the Property involved in this transaction, which creates a
447. dual agency. This means that Broker and its salespersons owe fiduciary duties to both Seller(s) and Buyer(s). Because
448. the parties may have conflicting interests, Broker and its salespersons are prohibited from advocating exclusively for
449. either party. Broker cannot act as a dual agent in this transaction without the consent of both Seller(s) and Buyer(s).
450. Seller(s) and Buyer(s) acknowledge that

- 451. (1) confidential information communicated to Broker which regards price, terms, or motivation to buy or sell will
- 452. remain confidential unless Seller(s) or Buyer(s) instructs Broker in writing to disclose this information. Other
- 453. information will be shared;
- 454. (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and
- 455. (3) within the limits of dual agency, Broker and its salespersons will work diligently to facilitate the mechanics of
- 456. the sale.

457. With the knowledge and understanding of the explanation above, Seller(s) and Buyer(s) authorize and instruct Broker
458. and its salesperson to act as dual agents in this transaction.

459. Seller [Signature] Buyer [Signature]

460. Seller _____ Buyer _____

461. Date 8-25-2017 Date 8-25-17

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

464. **SETTLEMENT STATEMENT:** Buyer and Seller authorize the title company, escrow agent, and/or their representatives
465. to disclose and provide copies of the disbursing agent's settlement statement to the real estate licensees involved in
466. the transaction at the time these documents are provided to Buyer and Seller.



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

467. Page 12 Date 8/25/2017

468. Property located at XXX 15th Street NE Sauk Rapids MN 56379

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

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

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

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

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

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

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

493. **SURVIVAL:** All warranties specified in this Purchase Agreement shall survive the delivery of the deed or contract
494. for deed.

495. **OTHER:** _____
496. _____
497. _____
498. _____

499. **ADDENDA:** The following addenda are attached and made a part of this Purchase Agreement.

500. **NOTE:** Disclosures and optional Arbitration Agreement are not part of this Purchase Agreement.

- 501. Addendum to Purchase Agreement
- 502. Addendum to Purchase Agreement: Assumption Financing
- 503. Addendum to Purchase Agreement: Buyer Purchasing "As Is" and Limitation of Seller Liability
- 504. Addendum to Purchase Agreement: Condominium/Townhouse/Cooperative Common Interest Community
- 505. ("CIC")
- 506. Addendum to Purchase Agreement: Contract for Deed Financing
- 507. Addendum to Purchase Agreement: Disclosure of Information on Lead-Based Paint and Lead-Based Paint
- 508. Hazards
- 509. Addendum to Purchase Agreement: Sale of Buyer's Property Contingency
- 510. Addendum to Purchase Agreement: Short Sale Contingency
- 511. Addendum to Purchase Agreement: Subsurface Sewage Treatment System and Well Inspection Contingency



**PURCHASE AGREEMENT:
VACANT LAND (RESIDENTIAL)**

512. Page 13 Date 8/25/2017

513. Property located at XXX 15th Street NE Sauk Rapids MN 56379

514. I, the owner of the Property, accept this Purchase
515. Agreement and authorize the listing broker to withdraw
516. said Property from the market, unless instructed otherwise
517. in writing.

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

**I have reviewed all pages of this Purchase
Agreement.**

518. **I have reviewed all pages of this Purchase Agreement.**
519. If checked, this Agreement is subject to attached
520. **Addendum to Purchase Agreement: Counteroffer.**

521. **FIRPTA:** Seller represents and warrants, under penalty
522. of perjury that Seller **IS** **IS NOT** a foreign person (i.e., a
(Check one.)

523. non-resident alien individual, foreign corporation, foreign
524. partnership, foreign trust, or foreign estate for purposes of
525. income taxation. (See lines 469-482.) This representation
526. and warranty shall survive the closing of the transaction
527. and the delivery of the deed.

528. X [Signature] Blm 8-25-2017
(Seller's Signature) (Date)

X [Signature] 8-25-17
(Buyer's Signature) (Date)

529. X _____
(Seller's Printed Name)

X _____
(Buyer's Printed Name)

530. X _____
(Marital Status)

X _____
(Marital Status)

531. X _____
(Seller's Signature) (Date)

X _____
(Buyer's Signature) (Date)

532. X _____
(Seller's Printed Name)

X _____
(Buyer's Printed Name)

533. X _____
(Marital Status)

X _____
(Marital Status)

534. **FINAL ACCEPTANCE DATE:** 8/25/2017 The Final Acceptance Date
535. is the date on which the fully executed Purchase Agreement is delivered.

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

538. I ACKNOWLEDGE THAT I HAVE RECEIVED AND HAVE HAD THE OPPORTUNITY TO REVIEW THE
539. **DISCLOSURE STATEMENT: ARBITRATION DISCLOSURE AND RESIDENTIAL REAL PROPERTY ARBITRATION**
540. **AGREEMENT, WHICH IS AN OPTIONAL, VOLUNTARY AGREEMENT AND IS NOT PART OF THIS PURCHASE**
541. **AGREEMENT.**

542. SELLER(S) [Signature] Blm

BUYER(S) [Signature]

543. SELLER(S) _____

BUYER(S) _____



**DISCLOSURE STATEMENT: ARBITRATION
DISCLOSURE AND RESIDENTIAL REAL
PROPERTY ARBITRATION AGREEMENT**

This form approved by the Minnesota Association of REALTORS®, which disclaims any liability arising out of use or misuse of this form.
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1. Page 1

2.

ARBITRATION DISCLOSURE

3. You have the right to choose whether to have any disputes about disclosure of material facts affecting the use
4. or enjoyment of the property that you are buying or selling decided by binding arbitration or by a court of law. By agreeing
5. to binding arbitration, **you give up your right to go to court.** By signing the RESIDENTIAL REAL PROPERTY
6. ARBITRATION AGREEMENT ("ARBITRATION AGREEMENT") on page two (2), you agree to binding arbitration under the
7. Residential Real Property Arbitration System ("Arbitration System") administered by National Center for Dispute Settlement
8. ("NCDS") and endorsed by the Minnesota Association of REALTORS® ("MNAR"). The ARBITRATION AGREEMENT is
9. enforceable only if it is signed by all buyers, sellers and licensees representing or assisting the buyers and the sellers.
10. The ARBITRATION AGREEMENT is not part of the *Purchase Agreement*. **Your *Purchase Agreement* will still be**
11. **valid whether or not you sign the ARBITRATION AGREEMENT.**

12. The Arbitration System is a private dispute resolution system offered as an alternative to the court system. It
13. is not government sponsored. NCDS and the MNAR jointly adopt the rules that govern the Arbitration System. NCDS
14. and the MNAR are not affiliated. Under the ARBITRATION AGREEMENT you must use the arbitration services of
15. NCDS.

16. All disputes about or relating to disclosure of material facts affecting the use or enjoyment of the property, excluding
17. disputes related to title issues, are subject to arbitration under the ARBITRATION AGREEMENT. This includes claims
18. of fraud, misrepresentation, warranty and negligence. Nothing in this Agreement limits other rights you may have under
19. MN Statute 327A (statutory new home warranties) or under private contracts for warranty coverage. An agreement to
20. arbitrate does not prevent a party from contacting the Minnesota Department of Commerce, the state agency that
21. regulates the real estate profession, about licensee compliance with state law.

22. The administrative fee for the Arbitration System varies depending on the amount of the claim, but it is more
23. than initial court filing fees. In some cases, conciliation court is cheaper than arbitration. The maximum claim allowed
24. in conciliation court is \$15,000. This amount is subject to future change. In some cases, it is quicker and less expensive
25. to arbitrate disputes than to go to court, but the time to file your claim and pre-hearing discovery rights are limited. The
26. right to appeal an arbitrator's award is very limited compared to the right to appeal a court decision.

27. **A request for arbitration must be filed within 24 months of the date of the closing on the property or**
28. **else the claim cannot be pursued. In some cases of fraud, a court or arbitrator may extend the 24-month**
29. **limitation period provided herein.**

30. A party who wants to arbitrate a dispute files a Demand, along with the appropriate administrative fee, with
31. NCDS. NCDS notifies the other party, who may file a response. NCDS works with the parties to select and appoint an arbitrator
32. to hear and decide the dispute. A three-arbitrator panel will be appointed instead of a single arbitrator at the request
33. of any party. The party requesting a panel must pay an additional fee. Arbitrators have backgrounds in law, real estate,
34. architecture, engineering, construction or other related fields.

35. Arbitration hearings are usually held at the home site. Parties are notified about the hearing at least 14 days
36. in advance. A party may be represented by a lawyer at the hearing, at the party's own expense, if he or she gives five
37. (5) days advance notice to the other party and to NCDS. Each party may present evidence, including documents or
38. testimony by witnesses. The arbitrator must make any award within 30 days from the final hearing date. The award must
39. be in writing and may provide any remedy the arbitrator considers just and equitable that is within the scope of the
40. parties' agreement. The arbitrator does not have to make findings of fact that explain the reason for granting or denying
41. an award. The arbitrator may require the party who does not prevail to pay the administrative fee.

42. **This Arbitration Disclosure provides only a general description of the Arbitration System and a general**
43. **overview of the Arbitration System rules.** For specific information regarding the administrative fee, please see the
44. Fee Schedule located in the NCDS Rules. Copies of the Arbitration System rules are available from NCDS by calling
45. (800) 777-8119 or (866) 727-8119 or on the Web at www.ncdsusa.org or from your REALTOR®. If you have any questions
46. about arbitration, call NCDS at (800) 777-8119 or (866) 727-8119 or consult a lawyer.



DISCLOSURE STATEMENT: ARBITRATION
DISCLOSURE AND RESIDENTIAL REAL
PROPERTY ARBITRATION AGREEMENT
47. Page 2

48. THIS IS AN OPTIONAL, VOLUNTARY AGREEMENT.
49. READ THE ARBITRATION DISCLOSURE ON PAGE ONE (1) IN FULL BEFORE SIGNING.
50. RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT

51. For the property located at XXX 15th Street NE

52. City of Sauk Rapids, County of Benton, State of Minnesota.

53. Any dispute between the undersigned parties, or any of them, about or relating to material facts affecting the use or
54. enjoyment of the property, excluding disputes related to title issues of the property covered by the *Purchase Agreement*
55. dated Aug 25, 20 17, including claims of fraud, misrepresentation, warranty and
56. negligence, shall be settled by binding arbitration. National Center for Dispute Settlement shall be the arbitration service
57. provider. The rules adopted by National Center for Dispute Settlement and the Minnesota Association of REALTORS®
58. shall govern the proceeding(s). The rules that shall govern the proceeding(s) are those rules in effect at the time the
59. Demand for Arbitration is filed and include the rules specified in the Arbitration Disclosure on page one (1). This
60. Agreement shall survive the delivery of the deed or contract for deed in the *Purchase Agreement*. This Agreement is
61. only enforceable if all buyers, sellers and licensees representing or assisting the buyers and sellers have agreed to
62. arbitrate as acknowledged by signatures below. For purposes of this Agreement, the signature of one licensee of a
63. broker shall bind the broker and all licensees of that broker.

64. Jane Blue 8-25-2017 Samuel A. W. ... 8-25-17
(Seller's Signature) (Date) (Buyer's Signature) (Date)

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

66. _____ (Seller's Signature) _____ (Buyer's Signature) _____ (Date)

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

68. [Signature] 8/25/2017 [Signature] 8-25-2017
(Licensee Representing or Assisting Seller) (Date) (Licensee Representing or Assisting Buyer) (Date)
Mark Pietig Mark Pietig

69. RE/MAX Lakes Area Realty RE/MAX Lakes Area Realty
(Company Name) (Company Name)

70. THE RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT IS A LEGALLY BINDING CONTRACT
71. BETWEEN BUYERS, SELLERS AND LICENSEES. IF YOU DESIRE LEGAL ADVICE, CONSULT A LAWYER.

EXHIBIT B

1:29

copy

CONTRACT FOR DEED

THIS CONTRACT FOR DEED is made on March 18, 2015 by Daniel Blank, Joseph Blank, Gregory Blank, Thomas Blank, and Crosier Fathers of Onamia, "Sellers", and James D. Trewick and Barbara A. Trewick, husband and wife as joint tenants, "Purchasers".

Sellers and Purchasers agree to the following terms:

1. Property Description. The Sellers hereby sell and the Purchasers hereby buy the real property in Benton County, Minnesota, described as follows:

The West 756.03 feet of the Southwest Quarter of the Southeast Quarter (SW ¼ of SE ¼), Section Twenty-two (22), Township Thirty-six (36) North, Range Thirty (30) West, Fourth Principal Meridian, Benton County, Minnesota
LESS AND EXCEPT that land platted as "Dona Ray"
AND LESS AND EXCEPT That part of the Southwest Quarter of the Southeast Quarter (SW¼ of SE¼) of Section Twenty-two (22), Township Thirty-six (36) North, Randy Thirty (30) West, Fourth Principal Meridian, Benton County, Minnesota, described as follows: to-wit: Commencing at the Southwest corner of said SW¼ of SE¼; thence North (assumed bearing) along the West line thereof 786.02 feet to the point of beginning of the tract to be described; thence South 88 degrees 09' 30" East a distance of 756.03 feet; thence North (assumed bearing) to a point on the North line of said SW¼ of SE¼; thence West along said North line to the Northwest corner of said SW¼ of SE¼; thence South along the West line of said SW¼ of SE¼ to the point of beginning and there terminating.

together with all hereditaments and appurtenances belonging thereto, (the "Property"). Unless otherwise specified, Seller delivers possession of the Property to Purchaser on the date hereof.

Check box if applicable:

- The Sellers certify that the Sellers do not know of any wells on the real property.
- A well disclosure certificate accompanies this document.
- Sellers are familiar with the real property and certify that the status and number of wells on the real property have not changed since the last previously filed well disclosure certificate.

2. Title. Sellers warrant that title to the property is, on the date of this contract, subject only to the following exceptions:

Lori Kiffmeyer
5686 River Road SE
Clear Lake MN 55319

- a) Covenants, conditions, restrictions (without effective forfeiture provisions) and declarations of record, if any;
- b) Reservations of minerals or mineral rights by the State of Minnesota, if any;
- c) Utility and drainage easements which do not interfere with present improvements;
- d) Building and zoning laws, ordinances, state and federal regulations;
- e) The lien of real estate taxes and installments of special assessments which are payable by Purchaser pursuant to paragraph 6 of this Contract; and
- f) The following liens or encumbrances: None.

3. Delivery of Deed and Evidence of Title. Upon Purchasers' prompt and full performance of this contract Sellers shall:

- a) Execute, acknowledge and deliver to Purchasers a Personal Representative's Deed, in recordable form, conveying marketable title to the property to Purchasers, subject only to the following exceptions:
 - 1) Those exceptions referred to in paragraph 2(a), (b), (c), (d) and (e) of this Contract;
 - 2) Liens, encumbrances, adverse claims or other matters which the Purchasers have created, suffered or permitted to accrue after the date of this contract.
 - 3) The following liens or encumbrances: None
- b) Deliver to Purchasers the abstract of title to the property to the extent required by the purchase agreement (if any) between Sellers and Purchasers, or, if the title is registered, the owner's duplicate certificate of title. Purchasers acknowledge that Sellers have provided an abstract of title for examination by Purchasers prior to the execution of this contract and no further continuation shall be required by Sellers.

4. Purchase Price. Purchasers shall pay to Sellers at such place as Sellers may hereafter designate the sum of Twenty Seven Thousand Five Hundred and no/100ths (\$27,500.00) Dollars as and for the purchase price, (the "Purchase Price"), for the Property, payable as follows:

\$0.00 cash in hand paid, the receipt of which is hereby acknowledged by Sellers;

\$27,500.00 by this Contract for Deed payable in monthly installments of \$137.50 per month, or more at the option of Purchasers, including interest at the rate of Six (6.0%)

percent per annum computed on the unpaid balances. Interest shall begin on the date of this contract. First payment shall be due and payable on April 18, 2015, and subsequent payments shall be due and payable on first day of each succeeding month. Payments shall be credited first to interest and the remainder to principal. In addition to said monthly payments, the entire balance of this contract shall be due and payable in full no later than September 7, 2017. This final payment is a balloon payment.

Purchasers shall not during the term of this contract cause any material to be delivered or labor to be performed upon any part of the property covered by this contract which exceeds the cost of \$1000.00 unless Purchasers first obtain the written consent of Sellers. Purchasers further agree to indemnify and hold harmless Sellers against all claims for labor and materials or services made against the property covered by this contract and for the costs of enforcing this indemnification including reasonable attorneys' fees. The Purchasers further agree to post notice in a conspicuous place on the Property that the Sellers are not responsible for payment to the contractors and that the Property and interest of the Sellers shall not be subject to mechanic's liens.

Purchasers shall not sell, assign, transfer or encumber their interest in this contract, or any part thereof without the prior written consent of Sellers. Any transfer in violation of this provision shall be cause for immediate acceleration of the then remaining contract balance.

5. Prepayment. Unless otherwise provided in this Contract, Purchasers shall have the right to fully or partially prepay this Contract at any time without penalty. Any partial prepayment shall be applied first to payment of amounts then due under this Contract, including unpaid accrued interest, and the balance shall be applied to the principal installments to be paid in the inverse order of their maturity. Partial prepayment shall not postpone the due date of the installments to be paid pursuant to this Contract or change the amount of such installment.

6. Real Estate Taxes and Assessment. Real estate taxes and installments of special assessments which are due and payable in the year in which this Contract is dated shall be prorated between Sellers and Purchasers on a calendar year basis as of the date of this Contract. Purchasers shall pay, before penalty accrues, all real estate taxes and installments of special assessments assessed against the property which are due and payable in the year 2015, and in all subsequent years. Sellers warrant that the real estate taxes and installments of special assessments which were due and payable in the years preceding the time to which this Contract is dated are paid in full. If the Property is subject to a recorded declaration providing for assessments to be levied against the Property by any owners' association, Purchasers shall promptly pay, when due, all assessments imposed by the owners' association or other governing body as required by the provisions of the declaration or other related documents.

7. Property Insurance.

- a) Insured Risks and Amount. Purchasers shall keep all buildings, improvements and fixtures now or later located on or a part of the property insured against loss by fire, lightening and such other perils as are included in a standard "all-risk" endorsement, and against loss or damage

by all other risks and hazards covered by a standard extended coverage insurance policy, including without limitation, vandalism, malicious mischief, burglary, theft and, if applicable, steam boiler explosion. Such insurance shall be in an amount equal to the greater of (i) the then full replacement cost of the buildings, improvements and fixtures, without deduction for physical depreciation or (ii) the unpaid Purchase Price. If any of the buildings, improvements or fixtures are located in a federally designated flood prone area, and if flood insurance is available for that area, Purchasers shall procure and maintain flood insurance in amounts reasonably satisfactory to Sellers.

- b) Other Terms. The insurance policy shall contain a loss payable clause in favor of Sellers which provides that Sellers' right to recover under the insurance shall not be impaired by any acts or omissions of Purchasers or Sellers, and that Sellers shall otherwise be afforded all rights and privileges customarily provided a mortgagee under the so-called standard mortgage clause.
- c) Notice of Damage. In the event of damage to the property by fire or other casualty, Purchasers shall promptly give notice of such damage to Sellers and the insurance company.

8. Damage to the Property.

- a) Application of Insurance Proceeds. If the property is damaged by fire or other casualty, the insurance proceeds paid on account of such damage shall be applied to payments of the amounts payable by Purchasers under this Contract, even if such amounts are not then due to be paid, unless Purchasers make a permitted election described in the next paragraph. Such amounts shall be first applied to unpaid accrued interest and next to the installments to be paid as provided in this Contract in the inverse order of their maturity. Such payment shall not postpone the due date of the installments to be paid pursuant to this Contract, or change the amount of such installments. The balance of insurance proceeds, if any, shall be the property of Purchaser.
- b) Purchasers' Election to Rebuild. If Purchasers are not in default under this Contract, or after curing any such default, and if the mortgagee in any prior mortgage and Sellers in any prior contract for deed, do not require otherwise, Purchasers may elect to have that portion of such insurance proceeds necessary to repair, replace or restore the damaged property (the "Repairs") deposited in escrow with a bank or title insurance company qualified to do business in the State of Minnesota, or such other party as may be mutually agreeable to Sellers and Purchasers. The election may only be made by written notice to Sellers within sixty (60) days after the damage occurs. Also, the election will only be permitted if the plans and

specifications and contracts for the Repairs are approved by Sellers, which approval Sellers shall not unreasonably Withhold or delay. If such a permitted election is made by Purchasers, Sellers and Purchasers shall jointly deposit, when paid, such insurance proceeds into such escrow. If such insurance proceeds are insufficient for the Repairs, Purchasers shall, before the commencement of the Repairs, deposit into such escrow sufficient additional money to insure the full payment for the Repairs. Even if the insurance proceeds are unavailable or are insufficient to pay the cost of the Repairs, Purchasers shall at all times be responsible to pay the full cost of the Repairs. All escrowed funds shall be disbursed by the escrow agent in accord with generally accepted sound construction disbursement procedures. The costs incurred or to be incurred on account of such escrow shall be deposited by Purchasers into such escrow before the commencement of the Repairs. Purchasers shall complete the Repairs as soon as reasonably possible and in a good and workmanlike manner, and in any event the repair work shall be completed by Purchasers within one (1) year after the damage occurs. If, following the completion of and payment for the Repairs, there remains any undisbursed escrow funds, such funds shall be applied to payment of the amounts payable by Purchasers under this Contract in accord with paragraph 8 (a) above.

9. Injury or Damage Occurring on the Property.

- a) Liability. Sellers shall be free from liability and claims for damages by reason of injuries occurring on or after the date of this Contract to any person or persons or property while on or about the property. Purchasers shall defend and indemnify Sellers from all liabilities, loss, costs and obligations, including reasonable attorney's fees, on account of or arising out of any such injuries. However, Purchasers shall have no liability or obligation to Sellers for such injuries which are caused by the negligence or intentional wrongful acts or omissions of Sellers.
- b) Liability Insurance. Purchasers shall, at Purchasers' own expense, procure and maintain liability insurance against claims for bodily injury, death and property damage, occurring on or about the property in amounts reasonably satisfactory to Sellers and naming Sellers as an additional insured.

10. Insurance, Generally. The insurance which Purchasers are required to procure and maintain pursuant to paragraphs 7 and 9 of this Contract shall be issued by an insurance company or companies licensed to do business in the State of Minnesota and acceptable to Sellers. The insurance shall be maintained by Purchasers at all times while any amount remains unpaid under this Contract. The insurance policies shall provide for not less than ten (10) days written notice to Sellers before cancellation, non-renewal, termination or change in coverage, and Purchasers shall deliver to Sellers a duplicate original or certificate of such insurance policy or policies.

11. Condemnation. If all or any part of the property is taken in condemnation proceedings instituted under power of eminent domain or is conveyed in lieu thereof under threat of condemnation, the money paid pursuant to such condemnation or conveyance in lieu thereof, shall be applied to payment of the amounts payable by Purchasers under this contract, even if such amounts are not then due to be paid. Such amounts shall be applied in the same manner as a prepayment as provided in paragraph 5 of this Contract. Such payments shall not postpone the due date of the installments to be paid pursuant to this contract or change the amount of such installments. The balance, if any, shall be the property of Purchasers.

12. Waste, Repair and Liens. Purchasers shall not remove or demolish any buildings, improvements or fixtures now or later located on or a part of the property, nor shall Purchasers commit or allow waste of the property. Purchasers shall maintain the property in good condition and repair. Purchasers shall not create or permit to accrue liens or adverse claims against the property which constitute a lien or claim against Sellers' interest in the property. Purchasers shall pay to the Sellers all amounts, costs and expenses, including reasonable attorney's fees, incurred by Sellers in removing any such liens or adverse claims.

13. Compliance with Laws. Except for matters which Sellers have created, suffered or permitted to exist prior to the date of this Contract, Purchasers shall comply or cause compliance with all laws and regulations of any governmental authority which affect the Property or the manner of using or operating the same, and with all restrictive covenants, if any, affecting title to the Property or the use thereof.

14. Recording of Contract Deed Tax. Purchasers shall, at Purchasers' expense, record this Contract in the office of the county recorder or registrar of titles of the county in which the Property is located within four (4) months after the date hereof. Purchasers shall pay any penalty imposed under Minnesota Statutes §507.235 for failure to timely file the Contract. Sellers shall, upon Purchasers' full performance of this Contract, pay the deed tax due upon the recording or filing of the deed to be delivered by Sellers.

15. Notice of Assignment. If either Sellers or Purchasers assign their interest in the property, the assigning party shall promptly furnish a copy of such assignment to the non-assigning party.

16. Protection of Interests. If Purchasers fail to pay any sum of money required under the terms of this Contract or fail to perform any of Purchasers' obligations as set forth in this Contract, Sellers may, at Sellers' option, pay the same or cause the same to be performed, or both, and the amounts so paid by Sellers and the costs of such performance shall be payable at once, with interest at the rate stated in paragraph 4 of this Contract, as an additional amount due Sellers under this Contract. If there now exists, or if Sellers hereafter create, suffer or permit to accrue, any mortgage, contract for deed, lien or encumbrance against the property which is not herein expressly assumed by Purchasers, and provided Purchasers are not in default under this Contract, Sellers shall timely pay all amounts due thereon, and if Sellers fail to do so, Purchasers may, at Purchasers' option, pay any such delinquent amounts or take any actions reasonably necessary to cure defaults thereunder and deduct the amounts so paid together with interest at the rate provided in this Contract from the payments next coming due under this Contract.

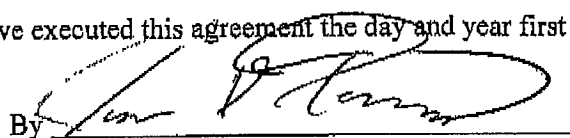
17. Default and Remedies. The time of performance by Purchasers of the terms of this Contract is an essential part of this Contract. If Purchasers fail to timely perform any of the terms of this Contract, Sellers may, at Sellers' option, (a) elect to declare this contract canceled and terminated by notice to Purchasers in accord with applicable law (b) elect to declare the entire unpaid Purchase Price, together with accrued interest thereon, immediately due and payable in full and commence an action against Purchasers to collect all amounts due hereunder, and/or (c) elect any other remedy available at law or in equity. If Sellers elect to terminate this Contract, all right, title and interest acquired under this Contract by Purchasers shall then cease and terminate, and all improvements made upon the property and all payments made by Purchasers pursuant to this Contract shall belong to Sellers as liquidated damages for breach of this Contract. Neither the extension of the time for payment of any sum of money to be paid hereunder nor any waiver by Sellers of Sellers' right to declare this Contract forfeited by reason of any breach shall in any manner affect Sellers' right to cancel this Contract because of defaults subsequently occurring, and no extension of time shall be valid unless agreed to in writing. After service of notice of default and failure to cure such default within the period allowed by law, Purchasers shall, upon demand, surrender possession of the property to Sellers, but Purchasers shall be entitled to possession of the property until the expiration of such period. Failure by Sellers to exercise one or more remedies available under this paragraph 17 shall not constitute a waiver of the right to exercise such remedy or remedies thereafter.

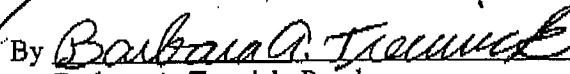
18. Binding Effect. The terms of this contract shall run with the land and bind the parties hereto and their successors in interest.

19. Headings. Headings of the paragraphs of this contract are for convenience only and do not define, limit or construe the contents of such paragraphs.

20. Additional Terms: None.

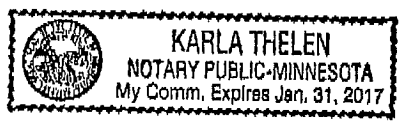
IN WITNESS WHEREOF the parties have executed this agreement the day and year first above written.


By 
James D. Trewick, Purchaser

By 
Barbara A. Trewick, Purchaser

STATE OF MINNESOTA)
) ss.
COUNTY OF Benton)

The foregoing instrument was acknowledged before me this 27th day of ^{April} ~~March~~, 2015,
by James D. Trewick and Barbara A. Trewick, PURCHASERS.




NOTARY PUBLIC

By *Daniel Blank*
Daniel Blank, Seller

STATE OF MINNESOTA)
) ss.
COUNTY OF Benton)

The foregoing instrument was acknowledged before me this 14th day of ^{April} ~~March~~, 2015,
by Daniel Blank, SELLER.

Candice Marie Pfllepsen
NOTARY PUBLIC



By *Joseph Blank*
Joseph Blank, Seller
Joseph Blank

STATE OF MINNESOTA)
) ss.
COUNTY OF Benton)

The foregoing instrument was acknowledged before me this 14th day of ^{April} ~~March~~, 2015,
by Joseph Blank, SELLER.

Candice Marie Pfllepsen
NOTARY PUBLIC



By *Gregory Blank*
Gregory Blank, Seller

STATE OF MINNESOTA)
) ss.
COUNTY OF Benton)

The foregoing instrument was acknowledged before me this 14th day of ^{April} ~~March~~, 2015,
by Gregory Blank, SELLER.

Candice Marie Pfllepsen
NOTARY PUBLIC



By [Signature]
Thomas Blank, Seller

Arizona
STATE OF MINNESOTA)
COUNTY OF Pinal) ss.

The foregoing instrument was acknowledged before me this 15th day of April, 2015,
by Thomas Blank, SELLER.

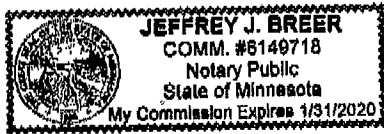


[Signature]
NOTARY PUBLIC

By Bro. Albert L. Becker
Brother Albert Becker for Crosier
Fathers of Onamia, Seller

STATE OF MINNESOTA)
COUNTY OF Mill Lake) ss.

The foregoing instrument was acknowledged before me this 31st day of March, 2015,
by Brother Albert Becker for Crosier Fathers of Onamia, SELLER.



[Signature]
NOTARY PUBLIC

Check here if part or all of the land is Registered (Torrens).

THIS INSTRUMENT DRAFTED BY:

KALENDA LAW OFFICE
Robert L. Kalenda
Attorney at Law
919 W. St. Germain, Suite 2000
Saint Cloud, MN 56301
Tel. (320) 255-8840
MN Attorney No. 53260

MAIL TAX STATEMENTS TO:

James and Barbara Trewick
1685 50th Avenue NE
Sauk Rapids MN 56379

FAILURE TO RECORD OR FILE THIS CONTRACT FOR DEED MAY GIVE OTHER
PARTIES PRIORITY OVER PURCHASERS' INTEREST IN THE PROPERTY.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

CROSIER FATHERS OF ONAMIA, a
Minnesota non-profit corporation,

Chapter 11

Case No. 17-41682

Debtor.

**MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR
AN ORDER (I) GRANTING EXPEDITED RELIEF; (II) AUTHORIZING THE
TRANSFER OF REAL PROPERTY UNDER A CONTRACT FOR DEED; AND (III)
APPROVING THE SALE OF REAL PROPERTY**

The Crosier Fathers of Onamia respectfully submits this memorandum in support of its motion seeking an order (i) granting expedited relief; (ii) authorizing the transfer of real property under a Contract for Deed; and (iii) approving the sale of real property.

I. FACTS.

The factual basis for this memorandum is set forth in the motion and is incorporated as though fully set forth herein.

II. LEGAL ARGUMENT.

A. The debtor's request for expedited relief should be granted.

Expedited relief is requested pursuant to Bankruptcy Rule 9006(c) and Local Rule 9006-1(e). The debtor and other owners of the property are concerned that absent expedited relief, they may lose the buyer under the Purchase Agreement. Expedited relief is therefore necessary and appropriate to allow the transaction to close in a timely manner, which will result in the realization of funds for the benefit of the debtor's estate.

B. The transfer and sale of the property should be approved because it is a valid exercise of the debtor's business judgment.

Courts have uniformly held that a sale of property of a bankruptcy estate should be approved when it is justified by a sound business purpose. *See Four B. Corp. v. Food Barn Stores, Inc. (In re Food Barn Stores, Inc.)*, 107 F.3d 558, 567 n.16 (8th Cir. 1997). As long as a sale appears to enhance a debtor's estate, court approval of a trustee's decision to sell should only be withheld if the trustee's judgment is clearly erroneous, too speculative, or contrary to the provisions of the Bankruptcy Code. *GBL Holding Co., Inc. v. Blackburn/Travis/Cole, Ltd.*, 331 B.R. 251, 255 (N.D. Tex. 2005); *In re Lajijani*, 325 B.R. 282, 289 (B.A.P. 9th Cir. 2005); *In re WPRV-TV, Inc.*, 143 B.R. 315, 319 (D.P.R. 1991) ("The trustee has ample discretion to administer the estate, including authority to conduct public or private sales of estate property. Courts have much discretion on whether to approve proposed sales, but the trustee's business judgment is subject to great judicial deference.").

The rules applicable to sales by a trustee have been applied with equal force to sales proposed by a debtor acting as debtor-in-possession under 11 U.S.C. § 1107 and to proposals made by a trustee or debtor-in-possession with respect to the procedures to govern the proposed sale. *See, e.g., Official Committee of Subordinated Bondholders v. Integrated Resources, Inc. (In re Integrated Resources, Inc.)*, 147 B.R. 650, 656–57 (Bankr. S.D.N.Y. 1992).

As for the property to be transferred under the Contract for Deed, the debtor believes it is obligated to the transfer the property to the purchaser upon full payment of the amount required under the Contract for Deed. Nevertheless, to ensure that the transaction will not be impeded, the debtor requests that the court approve the transfer of the property as required by the Contract for Deed. The debtor believes the transfer of the property is in the best interest of the estate as it will

allow it to comply with its legal obligations, and will result in the generation of approximately \$5,000.00 for the benefit of the estate.

Further, it is in the best interest of the debtor's estate to sell the property under the Purchase Agreement in order bring cash into the estate and to maximize the value for creditors. The property is not necessary for the debtor's business or an integral component of the reorganization strategy. In fact, as it currently stands, the property serves to diminish part of the debtor's estate because the debtor is obligated to pay property taxes on a piece of vacant and undeveloped land that it has otherwise been unable to use or sell. Moreover, the committee has been informed of the relief requested herein and supports this motion. For all these reasons, the transfer under the Contract for Deed and sale contemplated by the Purchase Agreement should be approved.

C. The buyer is entitled to protection under 11 U.S.C. § 363(m).

In accordance with 11 U.S.C. § 363(m), a good faith purchaser is one who purchases assets for value, in good faith, and without notice of adverse claims. *In re Made In Detroit, Inc.*, 414 F.3d 576, 581 (6th Cir. 2005); *In re Mark Bell Furniture Warehouse, Inc.*, 992 F.2d 7, 9 (1st Cir. 1993); *In re Willemain v. Kivitz*, 764 F.2d 1019, 1023 (4th Cir. 1985); *In re Abbotts Dairies of Pennsylvania, Inc.*, 788 F.2d 143, 147 (3rd Cir. 1986).

The Purchase Agreement was negotiated at arms' length. To the debtor's knowledge, the buyer is not related to the debtor or the other owners in any way. The sale will be voluntary, without compulsion or duress, and with each party acting in its own self-interest. The debtor believes that providing the buyer with 363(m) protection will ensure that closing of the proposed sale will occur promptly and the maximum price will be received for the property. Accordingly, any order approving the proposed sale should include a provision that the buyer is a "good faith" purchaser within the meaning of 11 U.S.C. § 363(m) and contain a finding that the sale constitutes an arms' length sale between a willing seller and a willing buyer.

D. Waiver of Rule 6004(h).

The debtor further requests that the (fourteen) 14-day stay that would otherwise be imposed by Fed. R. Bankr. P. 6004(h) be lifted to permit the proposed sale and to close as soon as possible upon the entry of an order granting this motion.

III. CONCLUSION.

For the foregoing reasons, the debtor respectfully requests that the court grant this motion and grant the debtor such other and further relief it deems just and equitable under the circumstances.

Dated: September 20, 2017.

QUARLES & BRADY LLP

/s/ Elizabeth S. Fella

Susan G. Boswell (AZ Bar No. 004791)

Lori L. Winkelman (AZ Bar No. 021400)

Elizabeth S. Fella (AZ Bar No. 025236)

Admitted Pro Hac Vice

One S. Church Ave., Suite 1700

Tucson, AZ 85701

(520) 770-8700

susan.boswell@quarles.com

lori.winkelman@quarles.com

elizabeth.fella@quarles.com

-and-

Thomas J. Flynn (MN Bar No. 0030570)

LARKIN HOFFMAN

8300 Norman Center Drive

Suite 1000

Minneapolis, Minnesota 55437

(952) 896-3362

tflynn@larkinhoffman.com

Counsel for the Debtor

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

CROSIER FATHERS OF ONAMIA, a
Minnesota non-profit corporation,

Debtor.

Chapter 11

Case No. 17-41682

**ORDER (I) GRANTING EXPEDITED RELIEF; (II) AUTHORIZING THE TRANSFER
OF REAL PROPERTY UNDER A CONTRACT FOR DEED; AND (III) APPROVING
THE SALE OF REAL PROPERTY**

This case came before the court on the motion of the debtor seeking an order (i) granting expedited relief; (ii) authorizing the transfer of real property under a Contract for Deed; and (iii) approving the sale of real property. Based on the motion and the file,

IT IS ORDERED:

1. The expedited relief sought in the motion is granted;
2. The motion is granted;
3. The debtor is authorized to transfer the real property pursuant to the terms of the Contract for Deed;
4. The Purchase Agreement is approved and the sale of the property pursuant to the Purchase Agreement is authorized under 11 U.S.C. § 363(b);
5. The debtor is authorized to take all actions and execute and deliver all documents, instruments and agreements consistent with the Purchase Agreement that are deemed necessary or appropriate to implement and effect the sale of the property;

6. The debtor is authorized to pay from the proceeds of the sale any and all customary closing or title fees and expenses and all other expenses required to be paid under the terms of the Purchase Agreement;

7. The buyer is a good faith purchaser within the meaning of 11 U.S.C. § 363(m);

8. The provisions of this order shall survive the entry of any order confirming any Chapter 11 plan of the debtor, or converting the debtor's case to a case under Chapter 7 of the Bankruptcy Code, or dismissing the debtor's Chapter 11 case;

9. The terms and provisions of the Purchase Agreement, together with the terms and provisions of this order, shall be binding in all respects upon, and shall inure to the benefit of, the debtor, its estate, its creditors, the buyer and their successors and assigns, and any affected third parties, including but not limited to, any and all persons asserting an interest in, or claim against, the debtor's estate or with respect to the property; and

10. Notwithstanding Fed. R. Bankr. P. 6004(h), this order is effective immediately.

DATED:

ROBERT J. KRESSEL
UNITED BANKRUPTCY COURT JUDGE

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

CROSIER FATHERS OF ONAMIA, a
Minnesota non-profit corporation,

Debtor.

Chapter 11

Case No. 17-41682

CERTIFICATE OF SERVICE

I, Elizabeth S. Fella, declare under penalty of perjury that on September 20, 2017 I caused to be served the foregoing “Notice of Hearing and Motion for an Order (I) Granting Expedited Relief; (II) Authorizing the Transfer of Real Property Under a Contract for Deed; and (III) Approving the Sale of Real Property” to each entity named below at the e-mail address or mailing address stated for each entity:

Sarah J. Wencil
U.S. Trustee’s Office
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Dated: September 20, 2017

/s/ Elizabeth S. Fella