

**PURCHASE AGREEMENT FOR VACANT
PROPERTY LOCATED IN THE CITY OF
PRINCETON, MINNESOTA**

THIS AGREEMENT, made and entered into this _____ day of _____, 2024, by and between **THE CITY OF PRINCETON**, hereinafter referred to as "Seller", and **CARL R. LUNDBERG**, hereinafter referred to as "Buyer".

WINSETH:

That in consideration of the mutual covenants and agreements herein contained, together with other good and valuable consideration, the Buyer and Seller agree as follows:

1. **Property Purchased.** Seller agrees to transfer and Buyer hereby agrees to accept, on such terms and conditions as are set forth herein, the following currently described property.

See Exhibit A

2. **Condition of Property.** Seller makes no warranties as to condition of the property, the same being unimproved and being sold "AS IS". All trash, waste and non-functional property identified by Buyer shall be removed by Seller at closing.

3. **Consideration.** As consideration for the transfer of the property of the Seller to the Buyer, the Buyer agrees to the following conditions and restrictions:

A. Buyer shall pay Seller the purchase price of Twelve Thousand and no/00 Dollars (\$12,000.00).

4. **Date, Place and Costs of Closing.** The date of closing shall be on the 31st day of May, 2024, unless an earlier date is agreed to by and between the parties. Closing

shall take place at the office of Home Security Abstract and Title, or, at such other location which shall be agreed to by the parties hereto.

Seller agrees to pay all of the total closing costs for both parties.

Subject to performance by Buyer, Seller agrees to execute and deliver a Quit Claim Deed conveying marketable title to said premises subject only to the following exceptions:

- A. Building and zoning laws, ordinances, state and federal regulations.
- B. Restrictions relating to use or improvements of the property and agreed to by Buyer.
- C. Reservation of any minerals or mineral rights to the State of Minnesota.
- D. Utility and drainage easements.
- E. Subject to encumbrances, liens and easements arising prior to Seller's control of the subject property. Provided, however, Buyer shall not be required to accept title that the title company is not willing to insure as marketable.

5. **Examination of Title.** Within a reasonable time prior to closing, Seller shall furnish Buyer with a Commitment for Title Insurance including proper searches covering bankruptcies and state and federal judgments, federal court judgment liens in favor of the U.S., liens, and levied and pending special assessments. The Commitment shall be obtained from Home Security Abstract & Title so that Seller may obtain a reissue credit from the insurer. Seller shall not be required to provide Buyer with an Abstract.

Buyer shall have ten business days after receipt of the Commitment for Title Insurance to provide Seller with a copy of written Title Objections. Buyer shall be deemed to have waived any Title Objections not made within the ten-day period.

Seller shall pay all costs associated with securing a Commitment for Title

Insurance.

6. **Title Corrections and Remedies.** Upon receipt of Buyer's title objections, Seller shall, within 30 business days, notify Buyer of Seller's intention to make title marketable. Seller shall have 90 days from receipt of Buyer's written title objections to make title marketable. Liens or encumbrances for liquidated amounts which can be released by payment or escrow shall not delay the closing. Cure of the defects by Seller shall be reasonable, diligent, and prompt. Pending correction of title, the closing shall be completed in escrow on the date hereinabove set forth and all documents and performances shall be held in abeyance until title is corrected.

- A. If notice is given and Seller proceeds in good faith to make title marketable but the 90 day period expires without title being made marketable, Buyer may declare this Agreement null and void by notice to Seller, neither party shall be liable for damages hereunder to the other, and all escrowed closing documents shall be null and void and the parties shall agree to execute a release of this Purchase Agreement.
- B. If title is marketable, or is made marketable as provided herein, and Buyer defaults in any of the agreements herein, Seller's remedies shall be limited to the right to cancel this Purchase Agreement and declare all escrowed documents null and void.

7. **Real Estate Taxes, State Deed Tax and Special Assessments.** Real estate taxes due and special assessments shall be prorated as of the date of closing with Seller and Buyer being responsible for their respective shares.

Buyer shall pay all real estate taxes and assessments due thereafter. Seller makes no representation concerning the amount of future real estate taxes or of future special assessments.

Seller shall pay the State deed tax associated with this transaction.

8. **Environmental Disclosure.** To the best of Seller's knowledge, there are no areas of the Property where hazardous substances or hazardous wastes, as such terms are defined by applicable Federal, State, and Local statutes and regulations, have been disposed of, released, or found. No claim has been made against Seller with regard to hazardous substances or wastes as set forth herein, and Seller is not aware that any such claim is current or ever has been threatened. Seller shall inform Buyer, to the best of Seller's knowledge, of any hazardous materials or release of any such materials into the environment, and of the existence of any underground structures or utilities which are or may be present on the Property.

9. **Seller's Representations.** Seller has the authority and power to enter into this agreement and to consummate the transactions contemplated herein; and upon execution hereof will be legally obligated to Seller in accordance with the terms and provisions of this agreement. Seller further represents and warrants to and covenants with Buyer and its successors and assigns that to the best of Seller's knowledge and belief, at the time of execution by Seller of this agreement, there are no environmental proceedings, applications, court pleadings, investigations by public or private agencies,

or other matters pending which could prohibit, impede, delay or adversely affect the use of the Property for residential development.

10. **Buyer's Representations.** Buyer is a lawfully constituted entity, duly organized, validly existing, and in good standing under the laws of Minnesota or another state; has the authority and power to enter into this agreement and to consummate the transactions contemplated herein; and upon execution hereof will be legally obligated to Seller in accordance with the terms and provisions of this agreement.

11. **Closing Documents.** Subject to performance by the Buyer and the Seller of their respective obligations hereunder, the Buyer and the Seller agree to fully execute as necessary and to deliver at the closing the following:

- A. A Quit Claim Deed conveying title to the property, in which the Seller warrants that the property has not been encumbered by Seller during its ownership thereof, subject to the reservation of access and utility easements for the benefit of Seller.
- B. An Affidavit of Seller indicating that on the date of the closing there are no outstanding unsatisfied judgments, tax liens, or bankruptcies against or involving the Seller and that, if appropriate, there are no maintenance agreements, or other agreements in force as to the property and that the Seller knows of no unrecorded interests in the property of any kind, together with whatever standard owner's affidavit may be required by the Buyer.
- C. Certificate of Real Estate Value.
- D. Such other documents as may be reasonably necessary to complete the closing of the transaction.

12. **No Partnership or Joint Venture Created Hereby.** Nothing contained in this Agreement shall be interpreted as creating a partnership or joint venture between the Buyer and the Seller relative to the property.

13. **No Merger; Entire Agreement.** The terms, covenants, and conditions to be performed, or which may be performed, subsequent to the date of this closing shall survive the closing and thereafter continue in full effect and shall not merge with the deed.

This Agreement contains the entire understanding of the parties hereto with respect to the purchase of the subject property by the Buyer and supersedes all prior agreements and understandings between the parties with respect to such purchase.

14. **Notices.** Except as otherwise provided herein, all communications, demands, notices, or objections permitted or required to be given or served under this Agreement shall be in writing and shall be deemed to have been duly given or served if delivered in person or deposited in the United States mail, postage prepaid, and addressed as set forth below. The current addresses of the parties are as follows:

SELLER: Michele McPherson, City Administrator
City of Princeton
705 2nd St. N.
Princeton, MN 55371
(763) 389-2040

With copy to: Damien F. Toven, City Attorney
Damien F. Toven & Associates, LLC
413 S. Rum River Dr., Suite 6
Princeton, MN 55371
(763) 389-2214

BUYER: Carl R. Lundberg
406 3rd Ave. S.
Princeton, MN 55371

15. **Binding Effect.** This Agreement shall be binding on and inure to the benefit of the parties hereto and the assigns, executors, heirs, and successors of the parties.

16. **Amendment, Modification, or Waiver.** No amendment, modification, or waiver of any condition, provision, or term shall be valid or of any effect unless made in writing, signed by the party or parties to be bound or a duly authorized representative, and specifying with particularity the extent and nature of such amendment, modification, or waiver. Any waiver by any party of any default of another party shall not affect or impair any right arising from any subsequent default. Except as expressly and specifically stated otherwise, nothing herein shall limit the remedies and rights of the parties hereto under and pursuant to this Agreement.

17. **Instrument Only Constitutes Offer.** This instrument shall not be effective and shall constitute only an offer by the Buyer until the Seller has executed the same and has inserted the date of the Seller's acceptance of the offer in the first line hereof, which shall be deemed the effective date of this Agreement. The Seller has five (5) days from the date of this offer, as specified below by the Buyer, to accept and to execute this Agreement. In the event the Seller does not accept and execute this Agreement within that period, the Seller shall in no manner be liable or responsible on account hereof except to return to the Buyer any money paid by the Buyer to the Seller on the execution by the Buyer of a Cancellation of Purchase Agreement.

18. **Severable Provisions.** Each provision, section, sentence, clause, phrase, and word of this Agreement is intended to be severable. If any provision, section, sentence, clause, phrase, and word hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

19. **Minnesota Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Minnesota.

20. **Agency Representation**. There is no agency representation involved in this transaction.

21. **Other Terms**. At a time and place determined by Seller, Buyer shall comply with and complete a Tax Parcel Combination, combining Parcel Nos. 24-080-0030 and 24-080-0040

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed effective the day and year first above written.

SELLER:

CITY OF PRINCETON

BY: _____
Tom Walker, Mayor

BY: _____
Michele McPherson, City Administrator

BUYER:

CARL R. LUNDBERG

BY: _____
Carl. R. Lundberg

Exhibit A

That part of Outlot 3, Outlots in Auditors Subdivision, according to the plat thereof on file and of record in the office of the County Recorder, Mille Lacs County, Minnesota, described as follows:

A tract of land in the Village of Princeton bounded and described as follows, viz: Commencing at a point located 450 feet east of the center of intersection between River Avenue (nka 4th Avenue South) and Pleasant Street (nka 3rd Street South) in said Village; thence due North for a distance of 100 feet; thence due North 45 degrees East for a distance of 250 feet to river bank; thence due South 62 degrees East for a distance of 20 feet along river bank; thence due South 9 degrees West for a distance of 275 feet; thence due North for a distance of 150 feet to the point of beginning. Being the same as described in Book 51 of Deeds, Page 390 in the office of the County Recorder in and for said Mille Lacs County.

AND

Also including that part of Outlots 3 and 4, Outlots in Auditor's Subdivision of the Southeast Quarter of the Northeast Quarter and the Northeast Quarter of the Southeast Quarter in Section 33 and the Northwest Quarter of the Southwest Quarter in Section 34, all in Township 36 North, Range 26 West, Fourth Principal Meridian, according to the plat thereof on file and of record in the office of the County Recorder, Mille Lacs County, Minnesota, described as follows:

Commencing at the point of intersection of the center lines of Pleasant Street (nka 3rd Street South) and River Avenue (nka 4th Avenue South); thence on an assumed bearing of North 90 degrees, 00 minutes, 00 seconds East, along the centerline of said Pleasant Street, a distance of 600.00 feet to the point of beginning of the property to be described; thence returning westerly, South 90 degrees, 00 minutes, 00 seconds West, a distance of 150.00 feet; thence North 0 degrees, 00 minutes, 00 seconds East, a distance of 100.00 feet; thence North 45 degrees, 00 minutes, 00 seconds East, a distance of 238 feet, more or less, to the riverbank of the Rum River; thence southeasterly along said Riverbank to the point of intersection with a line that bears North 9 degrees, 00 minutes, 00 seconds East, from the point of beginning; thence South 9 degrees, 00 minutes, 00 seconds West, a distance of 256 feet, more or less, to the point of beginning.