

PURCHASE AGREEMENT

This Agreement is made and entered into by and between Wade Krueger and Tiana Krueger, married persons (collectively “Seller”), and Independent School District No. 12, Centennial, a public school district under the laws of Minnesota (“Buyer”).

RECITALS:

A. Seller is the fee owner of real property located at 241 Elm Street, Lino Lakes, MN 55014 and legally described in the attached Exhibit A, PID No. 18-31-22-43-0009 (“Property”).

B. Seller wishes to convey, and Buyer wishes to purchase the Property, together with all rights, privileges, easements, and appurtenances belonging thereto.

AGREEMENT:

In consideration of the mutual covenants and agreements herein contained and other valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Purchase Price and Manner of Payment. The total purchase price (“Purchase Price”) to be paid by Buyer for the Property shall be three hundred thirty-five thousand dollars and no/100 (\$335,000), payable upon closing of the purchase, subject to the following deductions and payable as follows:

- a. Upon execution of this Agreement, \$10,000 as earnest money (“Earnest Money”), to be held by the Closing Company and disbursed in accordance with the terms of this Purchase Agreement.
- b. The balance of the Purchase Price, as adjusted by prorations and credits specified herein, shall be paid in a draft or other immediately available funds on the Closing Date.

2. Closing. This Agreement shall be fully executed on or before October 31, 2025. The closing of the purchase and sale of the Property contemplated by this Agreement shall occur on a “Closing Date” which shall occur on or before October 31, 2025. The closing shall be conducted by Land Title, Inc. (“Title Company”) at a mutually agreeable time and place. Seller agrees to deliver possession of the Property to Buyer on the Closing Date. At the closing, Buyer shall pay the Purchase Price to Seller and the following closing documents shall be executed and delivered.

- a. A warranty deed conveying to Buyer fee simple title of the Property, free and clear of all encumbrances, except the following “Permitted Encumbrances”:
 - (1) Property taxes and special assessments to be allocated between the parties as provided in Section 3 of this Agreement;
 - (2) Building codes and laws and ordinances relating to zoning, land use, and environmental matters; and
 - (3) Easements and Restrictions and Covenants of Record that do not interfere with Buyer’s intended use of the Property.
 - b. A closing statement detailing the financial terms of the closing.
 - c. A Well Disclosure Statement, properly executed and in recordable form, disclosing any wells existing on the Property, in the form shown in the attached Exhibit B, or, if no wells, a statement to that effect on the deed;
 - d. All other documents necessary to transfer the Property to Buyer free and clear of all encumbrances except the Permitted Encumbrances.
3. **Costs.** Seller and Buyer agree to the following allocations of costs:
- a. **Closing Costs.** Seller shall pay all costs of issuing the title insurance commitment. Buyer shall be responsible for title insurance premiums and surcharges required for the issuance of any owner’s title insurance policy required by Buyer. The closing fees charged by the Title Insurer shall be split between the parties. All other closing costs shall be allocated per customary standard.
 - b. **Documentary Taxes.** Buyer shall pay all state deed tax for the warranty deed to be delivered by Seller under this Agreement.
 - c. **Real Estate Taxes and Levied and Pending Assessments.** General real estate taxes due in 2025 shall be prorated by Seller and Buyer as of the Closing Date based upon a calendar fiscal year. Seller shall be responsible for any green acre charges due on the property. The total amount of special assessments levied or pending against the Property shall be prorated as of the Closing Date.
 - d. **Attorney’s Fees.** Each party will pay its own attorney’s fees.

4. Title.

- a. Quality of Title.** Seller shall convey marketable fee title to the Property to Buyer, subject to no liens, easements, encumbrances, conditions, reservations, or restrictions other than the Permitted Encumbrances.
- b. Title Evidence.** As quickly as possible after this Agreement is fully executed by the Parties, the Parties will obtain a commitment (“Title Commitment”) for an owner’s policy of insurance in the amount of the Purchase Price insuring title to the Property subject only to the Permitted Encumbrances.
- c. Buyer’s Objections.** At any time prior to the Closing Date, Buyer shall make written objections (“Objections”) to the form and/or contents of the Title Commitment. Buyer’s failure to make Objections prior to the Closing Date will constitute waiver Objections. Any matter shown on such Title Commitment and not objected to by Buyer shall be deemed an additional “Permitted Encumbrance” hereunder, but in no circumstance will a mortgage referenced in Section 10 below be deemed a Permitted Encumbrance pursuant to this Section. Seller shall use her best efforts to correct any Objections. If the Objections are not cured prior to the Closing Date, Buyer will, in addition to any other remedy available at law or under this Agreement, have the option to do either of the following:

 - (1) Terminate this Agreement; or
 - (2) Waive the Objections and proceed to close.

5. Representations and Warranties by Seller. Seller represents and warrants to Buyer as follows:

- a. Authority.** Seller has the requisite power and authority to enter into and perform this Agreement.
- b. Title to Property.** Seller owns the Property free and clear of all encumbrances except the Permitted Encumbrances.
- c. As-is Condition.** With the exception of Seller’s representation and warranty regarding its title to the Property, Seller makes no further representation or warranty regarding the condition of the Property or any building located on the Property. Except for the quality of title, Buyer is purchasing the Property and its building in its as-is condition.

- d. **Rights of Others to Purchase Property.** Seller has not entered into any other contracts for the sale of the Property.
- e. **FIRPTA.** Seller is not a “foreign person,” “foreign partnership,” “foreign trust” or “foreign state” as those terms are defined in § 1445 of the Internal Revenue Code.
- f. **Proceedings.** To the best knowledge of Seller, there is no action, litigation, investigation, condemnation or proceeding of any kind pending or threatened against the Property.
- g. **Methamphetamine Production.** Pursuant to Minnesota Statutes section 152.0275, Seller certifies to Buyer that she is not aware of any methamphetamine production that has occurred on the Property.
- h. **Hazardous Substance.** To Seller’s actual knowledge, no Hazardous Substance is located on the Property. Seller has received no notice from any governmental entity or private party that any Hazardous Substance is currently located on the Property in violation with any environmental law. Seller has no actual knowledge of the use, storage or release of any Hazardous Substance on the Property.

“Hazardous Substance” means any substance or material defined in or governed by any Environmental Regulation as a dangerous, toxic or hazardous pollutant, contaminant, chemical, waste, material or substance, and also expressly includes lead-based paint, urea-formaldehyde, polychlorinated biphenyls, dioxin, radon, asbestos, asbestos containing materials, nuclear fuel or waste, radioactive materials, explosives, carcinogens and petroleum products, including but not limited to crude oil or any fraction thereof, natural gas, natural gas liquids, gasoline and synthetic gas, or any other waste, material, substance, pollutant or contaminant which would subject the owner or operation of the Property to any damages, penalties or liabilities under any applicable Environmental Regulation.

- i. **Blocked Persons.** Seller has not received written notice that Seller is:
 - (1) listed on the Specifically Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury (“OFAC”) pursuant to Executive Order No. 13224, 66 Fed. Reg. 49079 Sept. 25, 2001 (“Order”) and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (such lists are collectively referred to as the “Lists”);

- (2) a person who has been determined by competent authority to be subject to the prohibitions contained in the Order; or
- (3) owned or controlled by, or acts for or on behalf of, any person or entity who is (x) on the Lists or any other person or entity who has been determined by competent authority to be subject to the prohibitions contained in the Order, (y) a citizen of the United States who is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation or Executive Order of the President of the United States, or (z) an “Embargoed Person,” meaning any person, entity or government subject to trade restrictions under U.S. law, including , but not limited to the International Emergency Economic Powers Act, 50 U.S.C. § 1701 et seq., the Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and any Executive Orders or regulations promulgated under such acts.

6. Representations and Warranties by Buyer. Buyer represents and warrants to Seller that Buyer has the requisite power and authority to enter into this Agreement and perform it.

7. Right to Inspect. Buyer shall have the right to enter the Property and perform such surveys, tests, or inspections as Buyer deems advisable, all at Buyer’s sole expense. Buyer shall keep the Property free from mechanics liens arising from such work. Buyer shall be responsible for any property damage or personal injury arising from such work and shall indemnify and hold Seller harmless from all costs, expenses and liabilities relating to such work. Buyer shall have until the Closing Date to conduct surveys, tests, and inspections. If Buyer is dissatisfied with the results of any survey, test, or inspection conducted prior to the Closing Date, as determined by Buyer in its sole discretion, Buyer may terminate this Agreement, in which case the Earnest Money set forth in Section 1 shall be returned to Buyer.

8. Control of Property. Subject to the provisions of this Agreement, until the Closing Date, Seller shall have full responsibility and the entire liability for any and all damages or injuries of any kind whatsoever to the Property, to any and all persons, whether employees or otherwise, and to any other property from and connected to the Property, except liability arising from the negligence of Buyer, its agents, contractors, or employees and except as set forth in Section 7 regarding Buyer’s tests and inspections.

9. Condemnation. If, prior to the Closing Date, eminent domain proceedings are commenced against all or any part of the Property, Seller shall immediately give notice to Buyer of such fact and at Buyer’s option (to be exercised within ten (10) days after Seller’s

notice), this Agreement shall terminate, in which event neither party will have further obligations under this Agreement. If Buyer fails to exercise its option to terminate the Agreement, then there shall be no reduction in the Purchase Price, and Seller shall assign to Buyer at the Closing Date all of Seller's right, title and interest in and to any award made or to be made in the condemnation proceedings.

10. Buyer's Contingencies. The transaction contemplated by this Agreement is contingent on Seller's ability to provide evidence acceptable to Buyer and the Title Company that any mortgages encumbering the Property have been paid in full and satisfied, or will be paid in full and satisfied on the Closing Date, and that the Property will be released from the liens of any said mortgages prior to or in connection with closing. Said mortgages will not be considered a "Permitted Encumbrance" under Section 2 or Section 4. If Seller fails to meet the requirements under this Section, Buyer will, in addition to any other remedy available at law or under this Agreement, have the option to do either of the following:

- (a) Terminate this Agreement; or
- (b) Waive the Contingency and proceed to close.

11. Waiver of Relocation Benefits. Seller acknowledges that he clearly showed intent to sell the Property to Buyer prior to inquiry or action by Buyer. Seller acknowledges that the purchase price agreed on for the Property is inclusive of any and all displaced owner-occupant relocation benefits for which eligibility might exist which could include moving costs, replacement housing, and differential housing payments for replacement property of up to \$50,000. Seller acknowledges that this Agreement entered into with Buyer is voluntary and is not made under threat of eminent domain.

12. Assignment. Buyer may not assign its rights under this Agreement without written consent of the Seller.

13. Survival. All of the terms of this Agreement will survive and be enforceable after the Closing.

14. Notices. Any notices required or permitted to be given by any party to the other shall be given in writing, and shall be (i) hand delivered to any officer of the receiving party, or (ii) mailed in a sealed wrapper by United States registered or certified mail, return receipt requested, postage prepaid, or (iii) properly deposited with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Seller:	Wade and Tiana Krueger
	241 Elm Street
	Lino Lakes, MN 55014

If to Buyer: Patrick Chaffey
Executive Director of Business Services
Independent School District No. 12, Centennial
4707 North Road
Circle Pines, MN 55014

With copy to: Squires, Waldspurger & Mace, P.A.
Attn: Zach Cronen
333 S. Seventh St., Suite 2800
Minneapolis, MN 55402

Notices shall be deemed effective on the earlier of the date of receipt or in the case of such deposit in the mail or overnight courier, on the first business day following such deposit. Any party may change its address for the service of notice by giving written notice of such change to the other party.

15. Captions. The captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

16. Entire Agreement. This written Agreement constitutes the complete agreement between the parties and supersedes any and all other oral or written agreements, negotiations, understandings and representations between the parties regarding the Property. There are no verbal or written side agreements that change this Agreement.

17. Amendment; Waiver. No amendment of this Agreement, and no waiver of any provision of this Agreement, shall be effective unless set forth in a writing expressing the intent to so amend or waive, and the exact nature of such amendment or waiver, and signed by both parties (in the case of amendment) or the waiving party (in the case of waiver). No waiver of a right in any one instance shall operate as a waiver of any other right, nor as a waiver of such right in a later or separate instance.

18. Governing Law. This Agreement is made and executed under and in all respects is to be governed and construed under the laws of the State of Minnesota.

19. Binding Effect. This Agreement binds and benefits the parties and their respective successors and assigns.

20. Remedies.

- a. **Default by Buyer.** If Buyer defaults under this Agreement, Seller shall have the right to terminate this Agreement by giving a 30-day written notice to Buyer pursuant to Minnesota Statutes section 559.21, as it may be amended from time to time. If Buyer fails to cure such default within thirty (30) days of the date of such notice, this Agreement will terminate, and upon such termination Seller shall retain the Earnest Money as liquidated damages and Seller may sue for specific performance of this Agreement or actual damages caused by Buyer's default.
- b. **Default by Seller.** If Seller defaults under this Agreement, Buyer may sue for specific performance of this Agreement or actual damages caused by Seller's default.

21. **Time.** Time is of the essence with this Agreement.

22. **Counterpart/Electronic Signatures.** This Agreement may be executed in any number of counterparts, and, each shall have the same effect as if each copy were signed by all parties. The parties to this Agreement further agree that electronic and/or facsimile signatures on this Agreement or any agreement related hereto shall be treated with the same force and effect as original signatures.

SELLER: WADE AND TIANA KRUEGER

By: _____
Wade Krueger

Dated: _____

By: _____
Tiana Krueger

Dated: _____

BUYER: INDEPENDENT SCHOOL DISTRICT NO. 12, CENTENNIAL

By: _____
Its: School Board Chair

Dated: _____

By: _____
Its: School Board Clerk

Dated: _____

EXHIBIT A
LEGAL DESCRIPTION

That part of the Southeast Quarter (SE 1/4) of Section Eighteen (18), Township Thirty-one (31), Range Twenty-two (22) described as Commencing at a point on the South line of said SE 1/4 703.44 feet East of the Southwest corner of said SE 1/4; thence North and parallel with the East line of said Section 18, 208.56 feet; thence East and parallel with the South line of said Section 18, 104.28 feet; thence South and parallel with the first course 208.56 feet; thence West on the South line of said Section 18, 104.28 feet to place of beginning excepting road, Anoka County, Minnesota.

Exhibit B

Well disclosure certificate