

## PURCHASE AGREEMENT

Date: \_\_\_\_\_, 2021

This Purchase Agreement (the "Agreement") is entered into on the date set forth above (the "Effective Date"), by and between Badger Area Arena Association, Inc. ("Seller") and Badger Independent School District No. 676 (the "District").

The District agrees to purchase, and the Seller agrees to sell, the real property legally described as:

See attached Exhibit A for complete legal description

including the following property, *if any*, owned by Seller and used and located on said property: all garden bulbs, plants, shrubs, and trees; attached lighting fixtures and bulbs; plumbing fixtures, furnaces, heating, ventilating and air conditioning symptoms and equipment, electrical equipment, fire prevention and extinguishing apparatus, site plans, surveys, architectural renderings, plans, specifications, engineering plans, water heater, heating plants, water softener, built-in humidifier and dehumidifier, liquid gas tank and controls, sump pump; BUILT-INS: intercoms; ATTACHED: garage door openers and all controls; smoke detectors; and the following personal property :See Exhibit B; all of which property Seller has this day agreed to sell to District for the sum of: Forty-eight Thousand and no/100 Dollars (\$48,000.00), which District agrees to pay on or before August 20, 2021 (the "Closing Date").

**DEED/MARKETABLE TITLE:** Upon performance by District, Seller shall deliver a marketable Warranty Deed, conveying marketable title, subject to:

(A) Building and zoning laws, ordinances, state and federal regulations; (B) Restrictions relating to use or improvement of the property without effective forfeiture provisions; (C) Reservations of any mineral rights by the State of Minnesota; (D) Utility and drainage easements which do not interfere with existing improvements; (E) Rights of tenants as follows (unless specified, not subject to tenancies): none (F) Others (Must be specified in writing): none

**TITLE AND EXAMINATION:** The District shall pay for any and all title services the District deems necessary to determine if title is marketable. The title services include, but are not limited to, obtaining an abstract on the real property, title commitment for the real property, and/or title insurance on the real property. After this Agreement is signed, the District will proceed with reasonable diligence to obtain the title services. Within a reasonable time after receiving either an updated abstract or a title commitment, the District shall provide Seller with written title objections.

Seller shall have 60 days from receipt of the District's written title objections to make title good and marketable. Upon receipt of the District's title objections, if any, the Seller shall, within 10 days, notify the District of Seller's intention of whether or not Seller intends to make title

marketable within the 60 day period. In the event Seller elects to cure the title defects, such cure of the defects shall be reasonable, diligent, prompt, and made with the Seller's best efforts.

If notice is given and Seller either (1) elects not to correct title or (2) proceeds in good faith to make title marketable but the 60 day period expires without title being made marketable, the District, in its sole discretion, may (i) declare this Agreement null and void by notice to Seller, and in such event, neither party shall be liable for damages to the other, (ii) delay closing for an additional period as may be necessary for Seller to make title marketable, or (iii) waive in writing any objections to marketability and good title and proceed to closing.

**WARRANTIES OF SELLER.** The Seller warrants and represents to the District, as of the Effective Date and as of the Closing Date the following: (a) Seller is a Minnesota corporation duly organized, validly existing, and in good standing under the laws of the State of Minnesota. The Seller has all the requisite power and authority to execute this Agreement. The execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all requisite corporate actions of the Seller (none of which actions have been modified or rescinded, and all of which are in full force and effect). This Agreement constitutes a valid and binding obligation of the Seller, enforceable against Seller in accordance with its terms. (b) On the Closing Date, the Seller shall own the real property subject to this Agreement and other assets to be purchased hereunder free and clear of all liens, charges, and encumbrances other than the exceptions to the warranty deed, and title will transfer to the District free and clear of all security interests, liens, charges, encumbrances, or restrictions. (c) There are no "wells" on the real property within the meaning of Minn. Stat. §1031.005. (d) For the purposes of satisfying the requirements of Minn. Stat. § 115.55, the Seller represents that there is no "individual sewer treatment system" (within the meaning of the statute) on or serving the real property. (e) The Seller does not know of any "above ground storage tank" or underground storage tank" (within the meaning of Minn. Stat. § 116.46) on or serving the real property. (f) To the best of the knowledge of Seller, the real property complies with all laws, rates, regulations, health and sanitation codes, zoning ordinances, environmental assessment, and impact requirements applicable to the real property. Seller has not received any notice from any governmental authority to the effect that either Seller or the real property does not comply with any law as they affect the real property and its use. (g) All past real estate taxes for the real property due and payable in 2020 and prior years have been paid in full (if real estate taxes are chargeable against the real property). The real property has not been the subject of any real estate tax or assessment content, appeal, or similar action during the past five (5) years. (h) Seller has not received any notice from any insurance company of any defects or inadequacies in the real property that would adversely affect the real property's insurability or increase the cost of insurance. (i) To the best of the knowledge of the Seller, there are no pending condemnation actions or pending special assessments of any nature with respect to the real property or any part thereof, and Seller has no knowledge of any such threatened or contemplated condemnation action or special assessment. (j) Seller has no knowledge of any unrecorded covenants or restrictions that govern the real property or its use. (k) Seller has received no notice of any violation by the real property, or the Seller's use thereof, of any applicable zoning regulation, restriction, or condition. Seller has no knowledge of any actual or threatened zoning change which may affect the real property or any part thereof. (l) All utilities, including, without limitation, water, sewer, heat, drainage, telecommunications, and electrical systems are available, connected and serve the real property. All mechanical, electrical, heating,

air conditioning, drainage, sewer, water and plumbing systems, and other utility systems are in good working order, state of repair and condition, subject to ordinary wear and tear. (m) The real property does not encroach on, or is encroached on by, property (whether real or personal) owned by any other individual or entity. Seller has not received any notice alleging any encroachment or boundary dispute. Seller has not received notice alleging any breach of the terms of an easement with respect to the real property. (n) The Seller is not indebted to any contractor, laborer, mechanic, materialman, architect, engineer, or any other individual or entity for work, labor or services performed or rendered, or for materials supplied or furnished, in connection with the real property for which any such individual or entity could claim any right, title, interest, payment, or claim against the real property. (o) Seller is not aware of any defect in, or the need for any improvements, repairs, or replacement to anything located on, or attached to, the real property. The representations and warranties contained in this Agreement shall survive the closing of the transaction contemplated by this Agreement and continue to bind the parties hereto. (p) There are no agreements or contracts regarding the use of the real property or anything on the real property that will affect the District's use of the real property or anything contained on the real property after the Closing Date. It shall be a condition precedent to the District's obligation to close on the transaction contemplated by this Agreement that all representations and warranties contained herein are true and correct on the Effective Date and as of the Closing Date.

**RISK OF LOSS:** If there is any loss or damage to the property between the date hereof and the date of closing, for any reason including fire, vandalism, flood, earthquake or act of God, the risk of loss shall be on the Seller. If the property is destroyed or substantially damaged before the closing date, this Purchase Agreement shall become null and void, at the District's option; District and Seller agree to sign cancellation of Purchase Agreement.

**TIME OF ESSENCE:** Time is of the essence in this Purchase Agreement.

**ENTIRE AGREEMENT:** This Purchase Agreement, any attached exhibits and any addenda or amendments signed by the parties, shall constitute the entire agreement between Seller and the District, and supersedes any other written or oral agreements between Seller and the District. This Purchase Agreement can be modified only in writing signed by Seller and the District.

**ACCEPTANCE:** This Agreement is not valid and binding until signed by both the District and the Seller.

**DEFAULT:**

If the District defaults under this Agreement, then Seller may cancel this Agreement pursuant to Minn. Stat. § 559.21 et. seq. Except for the enforcement of other remedial provisions hereof, the cancellation of this Agreement pursuant to Minn. Stat. § 559.21 et. seq. shall be the sole remedy of Seller for the District's default under this Agreement. If Seller defaults in the performance of its obligations hereunder and remains in default for a period of ten (10) days after the date the District delivers written notice of default to Seller, the District may seek specific performance within one year following the Effective Date, or cancel this Agreement pursuant to Minnesota statutes.

**POSSESSION:** Seller shall deliver possession of the property no later than the Closing Date. Seller agrees to remove all debris and all personal property not included herein from the property by possession date.

**ENVIRONMENTAL CONCERNS:** Seller represents and warrants that to the best of Seller's knowledge, the real property, and anything contained on the real property, is not in violation of any local, state, or federal laws, regulations, or codes relating to the pollution or to the protection of the environment nor does it lack any necessary permits, licenses, or other authorizations pertaining thereto. Seller has no knowledge of any material defects, whether structural, surface, or subsurface, resulting from any unlawful environmental conditions or the existence or nonexistence of any unlawful toxic or hazardous waste relating to the real property, whether latent or patent in any instance. Seller has not unlawfully used, and has not unlawfully permitted others to use, the real property, in connection with the generation, release, disposal, storage, treatment, or transportation of hazardous substances, hazardous waste, pollutants, or contaminants at any time prior to the Closing Date.

**BUYER HAS THE RIGHT TO INSPECT PROPERTY PRIOR TO CLOSING.**

**CLOSING:** At the closing, the Seller shall deliver the following: (1) warranty deed conveying good and marketable fee simple title to the District, free and clear, as of the Closing Date, of any liens, restrictions, security interests, or other third-party claims, subject to the deed exceptions set forth above. (2) Documents evidencing the legal status, standing, and authority of the Seller to consummate the closing. (3) Seller's affidavit stating that on the Closing Date there are no outstanding, unsatisfied judgments, mechanic's liens, tax liens, encroachments, unrecorded agreements, or bankruptcies against or involving the Seller and/or the real property, and that there has been no skill, labor, or material furnished to the real property for which payment has not been made or for which mechanic's liens could be filed. (4) a well certificate, if required by Minnesota Statutes. (5) Any other documents necessary to close the transaction contemplated by this Agreement. The District shall be responsible for paying for recording the warranty deed and any reasonable closing fee. The District and Seller shall be responsible for the payment of their respective attorneys' fees and costs. Any real estate taxes and special assessments of the real property shall be prorated as of the Closing Date.

**BROKER'S FEES.** The Seller and the District each hereby warrant and represent to the other that no brokers, agents, finder's fees, commissions, or other similar fees are due and arising in connection with entering into this Agreement, the sale and purchase of the real property, or the consummation of the transactions contemplated herein.

**NOTICES.** Any notice or election herein required or permitted to be given or served by either party hereto upon the other shall be deemed given or served in accordance with the provisions of this Agreement, whether actually received or not, as of: (i) the date of personal delivery, (ii) the date the same is deposited in the U.S. Mail, postage prepaid for delivery by Registered or Certified Mail, return receipt requested, (iii) the day after delivery to a reputable over-night courier service providing proof of delivery or (iv) the date of transmission, if delivered via the facsimile number listed below, provided confirmation of error-free transmission is given by the sending facsimile

machine and notice is also given pursuant to clause (i) or (iii) above. The initial address and facsimile numbers shall be as followed:

If to the Seller:

Badger Area Arena Association, Inc.  
Attn: President  
910 S Main Street  
PO Box 154  
Badger, MN 56714

If to Purchaser:

Badger Independent School District No. 676  
Attn: Kevin Ricke  
110 Carpenter Avenue East  
PO Box 68  
Badger, MN 56714-0068

The addresses to which notices are to be given to either party hereto may be changed by such party by giving written notice thereof to the other party in the manner above provided.

**SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors, and assigns.

**SEVERABILITY.** If any provision hereof is determined by a Court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.

**THIS IS A LEGALLY BINDING CONTRACT BETWEEN DISTRICT AND SELLER. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**

I, the owner of the property, accept this agreement.

X \_\_\_\_\_  
Badger Area Arena Association, Inc.  
(Date)

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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

X \_\_\_\_\_  
Badger Independent School  
District No. 676  
(Date)

By: Jamie Isane  
Its: Board Chair

X \_\_\_\_\_  
Badger Independent School District No. 676  
(Date)  
By Cari Dostal  
Its Board Clerk

This Instrument was drafted by:  
Anderson Law Offices, P.A.  
115 Roberts Avenue NE, P.O. Box 430  
Warroad, MN 56763  
Telephone: (218) 386-1040  
Fax: (218) 386-3129

Exhibit A – Legal Descriptions

Parcel B:

That part of the Northwest Quarter of Section 13, Township 161 North, Range 42 West of the 5<sup>th</sup> Principal Meridian, Roseau County, Minnesota, described as follows:

Commencing at the northwest corner of said Section 13; thence North 89 degrees 57 minutes 56 seconds East, assumed bearing, along the north line of said Section 13, a distance of 2007.86 feet to the centerline of Old Minnesota Trunk Highway No. 11; thence South 47 degrees 32 minutes 38 seconds West, along said centerline, a distance of 160.13 feet; thence South 45 degrees 38 minutes 16 seconds West, along said centerline, a distance of 99.14 feet; thence South 23 degrees 48 minutes 04 seconds East 222.16 feet to the point of beginning; thence South 67 degrees 11 minutes 10 seconds East 391.45 feet to the northwesterly line of the tract of land conveyed by Document No. 211502 recorded in the office of the Roseau County Recorder; thence South 22 degrees 04 minutes 01 seconds West, along said northwesterly line, a distance of 105.80 feet to the southwesterly line of that tract of land conveyed by warranty deed recorded in Book 281 Deeds on Pages 100 and 101; thence North 58 degrees 48 minutes 04 seconds West, along said southwesterly line, a distance of 336.32 feet; thence North 23 degrees 48 minutes 04 seconds West 82.64 feet to the point of beginning.

AND

Parcel C:

That part of the Northwest Quarter of Section 13, Township 161 North, Range 42 West of the 5<sup>th</sup> Principal Meridian, Roseau County, Minnesota, described as follows:

Commencing at the northwest corner of said Section 13; thence North 89 degrees 57 minutes 56 seconds East, assumed bearing, along the north line of said Section 13, a distance of 2007.86 feet to the centerline of Old Minnesota Trunk Highway No. 11; thence South 47 degrees 32 minutes 38 seconds West, along said centerline, a distance of 160.13 feet; thence South 45 degrees 38 minutes 16 seconds West, along said centerline, a distance of 99.14 feet to the point of beginning; thence South 23 degrees 48 minutes 04 seconds East 304.80 feet; thence South 58 degrees 48 minutes 04 seconds East 336.32 feet; thence South 22 degrees 04 minutes 01 seconds West 125.00 feet; thence North 67 degrees 11 minutes 10 seconds West 668.31 feet to the centerline of Old Minnesota Trunk Highway No. 11; thence North 37 degrees 19 minutes 48 seconds East, along said centerline, a distance of 199.87 feet; thence North 40 degrees 58 minutes 42 seconds East, along said centerline, a distance of 199.87 feet to the point of beginning.

Exhibit B—Personal Property

|                     | <u>Quantity</u> | <u>Items Located in Mechanical Room:</u>                     |
|---------------------|-----------------|--|
| School's            | 4               | aerosol paint cans   |
|                     | 1               | navy-blue snow pusher  |
|                     | 2               | aluminum shovels   |
|                     | 1               | spade shovel   |
|                     | 2               | yellow steel snow pushers/scrapers                           |
|                     | 1               | Poly yellow scraper  |
|                     | 1               | poly red snow shovel   |
|                     | 1               | large cream-colored snow pusher                              |
|                     | several         | used 1.25-inch fire hoses                                    |
|                     | 2               | brass hose nozzles   |
|                     | 1               | rubber water hose  |
|                     | 1               | green extension cord   |
|                     | 1               | electric power strip   |
|                     | 1               | Five-gallon poly gas can                                     |
| updated service tag | 1               | Five-pound ABC fire extinguisher                             |
|                     | 1               | plastic waterer/sprinkler                                    |
| School's            | 2               | used doors with frames                                       |
| School's            | 1               | portable canopy  |
|                     | several         | miscellaneous tools and supplies                             |
|                     | 1               | mop sink   |
|                     | 1               | heavy duty extension cord adapter                            |
|                     | 1               | orange ten-ft commercial fiberglass step ladder (Louisville) |
|                     | 1               | green six-ft commercial fiberglass step ladder (Louisville)  |
|                     | 1               | galvanized garbage can                                       |
|                     | 3               | poly garbage cans  |
|                     | 1               | plastic mop bucket with mop                                  |
|                     | 1               | metal mop bucket with mop                                    |
|                     | 1               | counter with 4 doors and 2 drawers                           |
|                     | 1               | push broom (black)   |
| School's            | 1               | push broom   |
|                     | 1               | small broom with dustpan                                     |
|                     | 1               | electric heater  |
|                     | 1               | Fifty-ft yellow extension cord                               |

Quantity items Located in Locker Rooms:



|           |         |   |
|-----------|---------|---|
|           | several | miscellaneous wood trim boards  |
|           | 1       | five-gallon pail of white paint   |
|           | 1       | open 1-gallon white paint can with an estimated a half-gallon remaining |
|           | several | rolls of used carpet (to protect skate blades)                          |
| School's  | 1       | easel   |
| Booster's | 2       | gas cooking grills (with propane tanks)                                 |
| School's  | 1       | box of Gator items  |
| School's  | 2       | Expandable safety barriers/gates  |
| School's  | 1       | bakery rack   |
|           | some    | miscellaneous painting supplies   |

**Quantity Located in Dining Area:**

|  |    |                            |
|--|----|----------------------------|
|  | 4  | eight-ft steel tables      |
|  | 2  | six-ft poly folding tables |
|  | 54 | steel folding chairs       |

**Quantity Located in Meeting Room:**

|          |    |  |
|----------|----|--|
| School's | 16 | student desks                                |
|          | 10 | stackable poly top/metal frame chairs        |
|          | 1  | chair with casters                           |
|          | 1  | round wood table                             |
|          | 1  | round composite top/metal frame table        |
|          | 2  | six-ft poly top/metal frame tables (folding) |
|          | 1  | six-ft poly top/metal frame table (folding)  |

**Quantity Located in Concession Room:**

|          |         |  |
|----------|---------|--|
|          | 2       | poly garbage cans                                    |
|          | 1       | poly waste basket                                    |
| School's | several | Everything else in concessions room belongs to FCCLA |

**Quantity Located in Restrooms/Bathrooms:**

|  |      |   |
|--|------|---|
|  | some | miscellaneous restroom supplies including waste baskets, plungers, etc. |
|--|------|---|