

April 2, 2010

Chuck Klaassen
Buffalo-Hanover-Montrose
Independent School District 877
214 1st Avenue NE
Buffalo, MN 55313

Re: Change Order #1 to Purchase Agreement 12/14/09

Dear Chuck:

Please accept this letter as formal request and approval of Change Order #1 to the Purchase Agreement dated 12/14/09 on the property located at 115 Second Street South in Montrose Minnesota.

We have reviewed all costs and mark ups with School Staff Members, Kim Carlson and Eric Hamilton as attached in the Change Request (dated 4/1/10) from Bauer Design Build and the Allowance Recap Sheet (dated 4/1/10). The Purchase Price shall be adjusted as follows;

Original Purchase Agreement Price	\$1,298,108.00
Change Order #1	\$26,366.00
Revised Purchase Price	\$1,324,474.00

Please sign below to signify your approval of revised purchase price

Sincerely,

Seller: Second Street Montrose, LLC



Michael A. Bauer
President

Copy To: Patrick J. Flynn @ Knutson, Flynn & Deans, P.A.

Buyer Approval:

**BUFFALO-HANOVER-MONTROSE
INDEPENDENT SCHOOL
DISTRICT 877**

By: _____

Its: Chair

By: _____

Its: Clerk

#113 - Montrose Early Child Development Center
 Owner Change Requests

4/1/2010



Task#	Description of Task	Comments	Value
1	Roof structure reinforcing.		\$ 24,000
2	4070 to 6070 at 129A	No Charge (NC)	\$ -
3	Change 8 "classroom" function locks to "security Classroom".	8 @ \$260 each	\$ 2,080
4	Closet door from 34x70 to 34x80.	To better accommodate connection cabinet; NC	\$ -
5	Additional exterior stone.	Three vertical column; NC	\$ -
6	Purchase of fire extinguishers	4 total	\$ 300
7	Tot Locks on 28" counters		\$ 180
8	Corian top sized increase in Sibling 117	NC	\$ -
9	Window size in room 113	From 3'x6' to 14"x 4'	\$ (300)
10	Blinds	Cord to cordless.	\$ 550
11	Allowance Conclusion	See attached spreadsheet.	\$ (444)
	Total Change Request		\$ 26,366

4/1/10

Allowances

ATTACHMENT #1

Construction Allowances:	Allowance			Actual Costs				
	Cost	Fee	Total with Fee	Cost	Fee	Total with Fee	Diff.	
Flooring	\$ 3,950	\$ 297	\$ 4,247	\$ 4,086	\$ 286	\$ 4,372	\$ 125	
Bldg. Monument Sign	\$ 2,083	\$ 157	\$ 2,240	\$ 6,310	\$ 434	\$ 6,744	\$ 4,504	
Kitchen Equipment	\$ 3,900	\$ 273	\$ 4,173	\$ 737	\$ 52	\$ 789	\$ (3,384)	
Refrigerator and Freezer				\$ 2,512	\$ 176	\$ 2,688	\$ 2,688	
Low Voltage Package (Voice, Data, Security)	\$ 28,498	\$ 2,145	\$ 30,643	\$ 32,125	\$ 2,249	\$ 34,374	\$ 3,731	
Winter Conditions			\$ 6,215	\$ 8,528	\$ -	\$ 8,528	\$ 2,313	
Added Costs for Spring Phase	\$ 6,895		\$ 6,895	\$ 6,895	\$ -	\$ 6,895	\$ -	
Sub-Total			\$ 54,413			\$ 64,389	\$ 9,976	
Tenant Contingency	\$ 9,691	\$ 729	\$ 10,420	Remaining			\$ 444	
			\$ 64,833					