

## PURCHASE AND SALE AGREEMENT

60 Sycamore Street West, St. Paul, MN

THIS PURCHASE AND SALE AGREEMENT (“**Agreement**”) is made as of July \_\_\_\_\_, 2024 (the “**Effective Date**”), by and between P & P Holdings, LLP, a Minnesota limited liability partnership (“**Seller**”), and the City of Saint Paul, a Minnesota public body corporate and politic (“**Buyer**”).

### R E C I T A L S

- A. Seller owns certain Property, as described in this Agreement, located in Ramsey County, Minnesota.
- B. Seller desires to sell the Property to Buyer, and Buyer desires to buy the Property from Seller, pursuant to the terms and conditions contained in this Agreement.

### A G R E E M E N T

Now therefore, Buyer and Seller hereby agree as follows:

**1. Sale of Property.** Subject to the terms and conditions of this Agreement, Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller, the following property (collectively, the “**Property**”):

1.1 **Real Property.** The real property located in Ramsey County, Minnesota, legally described on the attached *Exhibit A* (the “**Land**”), together with: (a) all buildings, fixtures, and improvements located on the Land, including the existing office warehouse building (the “**Building**”), and (b) all right, title, and interest of Seller in the rights, interests, easements, and appurtenances pertaining to the Land, including any right, title, and interest of Seller in adjacent streets, alleys, gaps, gores, or rights-of-way, if any (collectively, the “**Real Property**”).

1.2 **Personal Property.** All existing furniture owned by Seller and located in the Building as of the Closing Date (the “**Personal Property**”), provided in no event shall the Personal Property include: (a) any personal property, furniture, trade fixtures, lease hold improvements, or equipment owned by, or to be retained by, and existing tenant, (b) any items owned by employees of Seller or any property manager or other agent of Seller, or (c) any items leased to Seller. The Personal Property will be purchased by Buyer for One Thousand Five Hundred and 00/100 Dollars (\$1,500.00) (the “**Personal Property Price**”). The Personal Property Price is in addition to the Purchase Price.

1.3 **Intangible Property.** Seller’s interest, to the extent assignable, in the following items pertaining to the Real Property: (a) all service and maintenance contracts, and similar agreements (“**Contracts**”), and (b) all permits, licenses, and warranties (the “**Intangible Property**”).

1.4 **Lease Interest.** Seller’s interest as landlord in that certain lease by and between Seller, as landlord, and Transaxle LLC, a Delaware limited liability company (“**Tenant**”), dated effective June 1, 2020 (the “**Lease**”).

**2. Purchase Price.** The purchase price to be paid by Buyer for the Property (less the Personal Property) shall be Six Million Five Hundred Thousand and 00/100 Dollars (\$6,500,000.00) (the “**Purchase Price**”). The Purchase Price, and the Personal Property Price, shall be paid as follows:

2.1 Buyer shall deposit into escrow Fifty Thousand and 00/100 Dollars (\$50,000.00) (the “**Deposit**”) with Old Republic Title, 11055 Wayzata Blvd., Suite 250, Minnetonka, MN 55306, Attn: Kourt Kamman (the “**Title Company**”), within five (5) business days after the Effective Date. The Deposit shall be in the form of a wire transfer of immediately available funds to the account of the Title Company. In the event of a successful Closing, the Deposit shall be credited against and applied to the Purchase Price. The Deposit shall be non-refundable to

Buyer, except as specifically set forth in this Agreement. Notwithstanding anything to the contrary in this Agreement, in any event where Buyer is entitled to a return of the Deposit, One Hundred and 00/100 Dollars (\$100.00) of the Deposit shall be non-refundable to Seller.

2.2 On the Closing Date, the balance of the Purchase Price, net of any credits and debits pursuant to the terms of this Agreement, and the Personal Property Price, shall be paid by Buyer via wire transfer of immediately available funds.

3. **Title Examination.** Seller shall within five (5) business days after the Effective Date, place an order with the Title Company for a commitment for a standard coverage owner's policy of title insurance for Real Property, together with copies of all documents referred to in such commitment as exceptions to title (collectively, the "**Title Commitment**"). Buyer, at Buyer's sole cost and expense and pursuant to the terms and conditions of *Section 4*, may order a current ALTA/NSPS Land Title Survey of the Real Property (the "**Survey**"). The Survey, if any, and the Title Commitment are collectively referred to as the "**Title Evidence**."

3.1 Buyer shall have until the earlier to occur of the date ten (10) business days following the last to be received of the Title Evidence, or the date sixty (60) days after the Effective Date (the "**Title Review Period**"), in which to notify Seller of any objections to the form or contents of the Title Evidence ("**Buyer's Title Notice**"). Buyer's failure to deliver a Buyer's Title Notice to Seller prior to the expiration of the Objection Period, any objection of Buyer to such matters shall be deemed waived, and all such encumbrances and title matters affecting title shall be Permitted Exceptions. "**Permitted Exceptions**" shall mean: (a) any matters set forth in the Title Evidence not objected to in a Buyer's Title Notice; (b) any matters set forth in the Title Evidence that are objected to in a Buyer's Title Notice, but subsequently waived (or deemed waived); (c) any matters affecting the Property resulting from the acts of Buyer, its agents, and/or contractors; and (d) rights of Tenant under the Lease, and the rights of Subtenant under the Sublease.

3.2 Within ten (10) business days following Seller's receipt of Buyer's Title Notice (if any), Seller may notify Buyer in writing ("**Seller's Title Notice**") of any matter objected to in a Buyer's Title Notice that Seller agrees to cure. If Seller does not send a Seller's Title Notice within such 10-business-day period, Seller shall be deemed not to have agreed to cure or take any action with respect to any such matter in Buyer's Title Notice. If Seller does not agree (or is deemed not to have agreed) to so cure or take any such action within such 10-business-day period, Buyer shall either, within ten (10) business days following the earlier to occur of the expiration of Seller's 10-business-day response period, or the date Seller's Title Notice is delivered to Buyer: (x) Deliver written notice to Seller that Buyer waives such objections and matters and is electing to close this transaction subject to the terms of this Agreement, in which case such matters shall be deemed Permitted Exceptions; (y) Terminate this Agreement by delivering written notice of termination to Seller, in which event the Deposit, and any interest thereon shall be returned to Buyer, and this Agreement shall terminate and be null and void and of no further force or effect. Failure of the Buyer to notify Seller that Buyer is definitively electing either option (x) or (y) above, within the above stated 10-business day period, shall constitute an election by Buyer to have elected option (x).

3.3 If, prior to Closing, Buyer learns of any lien or encumbrance against the Property or any other title defect that was not disclosed on the Title Evidence, Buyer shall have ten (10) business days from the date it learns of such lien, encumbrance, or defect to deliver an updated Buyer's Title Notice only with respect to such new matter. The procedures described in *Section 3.2* shall then govern Seller's response (or deemed response) and the terms on which Buyer may terminate this Agreement, waive such objection, or be deemed to waive such objection, provided Seller shall issue an updated Seller's Title Notice, if at all, within five (5) business days from the date it receives the updated Buyer's Title Notice.

3.4 Buyer shall automatically be deemed to have objected to and Seller shall be obligated to cure and satisfy at or prior to Closing any: (a) mortgage or deed of trust financing or similar liens given for security or collateral purposes, (b) state, federal or local tax liens or liens for the nonpayment of special assessments, to the

extent any such liens relate to past due taxes or special assessments, and (c) other judgment liens or non-consensual liens (collectively, the items in (a), (b), and (c) are “**Liens**”). If Seller has not removed such Liens by Closing, then any such Liens will be cured and satisfied out of Seller’s proceeds at Closing. Notwithstanding the foregoing, Seller shall have no obligation to cure any Liens created by the act of Buyer or its agents or contractors, including without limitation, any Liens filed with respect to labor and services performed or materials supplied at the instance and request of Buyer.

#### **4. Due Diligence.**

4.1 Buyer may access the Property at any time prior to the Closing Date, to conduct all inspections and examinations of the Property it deems reasonably necessary, subject to the terms, conditions, and limitations of this Agreement. Prior to accessing or entering the Property, Buyer shall provide Seller with at least twenty four (24) hours advance notice, or such longer notice if Tenant’s premises under the Lease is being accessed, as reasonably necessary to provide Tenant with advance notice as required by the Lease. Any access, entrance, inspection, or examination shall be at reasonable times, and Buyer shall avoid disturbing Tenant, Subtenant, or their customers, employees, or business operations at the Property, to the extent reasonably practicable. Seller shall have the right to have a representative accompany Buyer during any such access, and Buyer shall comply with Seller’s reasonable security and privacy protocols. Buyer shall not conduct any testing, sampling, or any inspection that may be considered a Phase II Environmental Site Assessment, without the prior written consent of Seller, which consent will not be withheld by Seller provided Buyer provides a Phase I Environmental Site Assessment for the Property identifying one or more recognized environmental conditions (each a “**REC**”) and such Phase II testing is limited to such REC(s). The costs and expenses of any such inspections and examinations whatsoever, shall be borne by Buyer.

4.2 Buyer shall repair any damage caused to the Property (including without limitation property owned by Tenant, Subtenant, or third parties) occurring directly or indirectly from Buyer’s access, entrance, inspections, or examinations, to no less than the condition that existed immediately prior to such access, entrance, inspections, or examinations. Buyer agrees to indemnify, defend and hold Seller harmless from and against any and all claims and demands, and any and all loss, cost, liability or expense incurred or suffered by Seller arising from the access, entrance, inspections, or examinations of Buyer, its agents and/or contractors on the Property prior to the Closing Date, including, but not limited to mechanics’ liens that may be filed against the Property and claims for injury to third parties to the extent caused directly or indirectly by Buyer’s actions. Any liability of Buyer shall be governed by Minnesota Statutes Chapter 466 and other applicable law. Buyer’s indemnification and defense obligations shall survive Closing or any termination of this Agreement.

4.3 Buyer shall have until the date ninety (90) days following the Effective Date (the “**Due Diligence Period**”) to determine if it is satisfied with the condition of the Property. If Buyer is unsatisfied with the Property for any reason, it may elect to terminate this agreement by delivering written notice of such termination to Seller prior to the expiration of the Due Diligence Period. If Buyer elects to terminate this Agreement under this provision, Seller shall return the Deposit to Buyer. If Buyer does not deliver written notice of its election to terminate this Agreement prior to the expiration of the Due Diligence Period, Buyer shall be deemed satisfied with the Property and shall be deemed to have elected to close this transaction, subject to Buyer’s rights in *Section 3.3* and otherwise pursuant to the terms of this Agreement.

#### **5. Representations and Warranties.**

5.1 Seller Representations and Warranties. Seller represents and warrants to Buyer as of the Effective Date, and shall be deemed to represent and warrant to Buyer as of the Closing Date, as follows:

5.1.1 Existence; Authority. Seller is a limited liability partnership, duly organized, qualified and in good standing under the laws of the State of Minnesota, and has the requisite power and authority to enter into

and perform this Agreement and Seller Deliverables, and all such documents when executed will be valid and binding obligations of Seller, enforceable in accordance with their terms.

5.1.2 Title to Real Property. Seller owns marketable and insurable fee simple title to the Real Property.

5.1.3 Leases. The Property is subject to no lease or occupancy agreement except for the Lease and that certain Sublease between Tenant, as sublandlord, and CT Holdings, Inc., a Minnesota corporation (the “**Subtenant**”), dated April 10, 2020 (the “**Sublease**”).

5.1.4 Rights of Others to Purchase Property. Seller has not entered into any other contracts for the sale of the Property, nor, to Seller’s knowledge, are there any rights of first refusal or options to purchase the Property.

5.1.5 Operations. Seller has received no notice of actual or threatened cancellation or suspension of any utility services or certificate of occupancy for any portion of the Real Property, and to Seller’s knowledge, the Property is in compliance with all governmental permits.

5.1.6 Proceedings. Seller confirms that there is no pending or currently threatened action, litigation, investigation, condemnation, or similar proceeding involving the Property.

5.1.7 Environmental Laws. To Seller’s knowledge, no toxic or hazardous substances or wastes, pollutants or contaminants (including, without limitation, asbestos, urea formaldehyde, the group of organic compounds known as polychlorinated biphenyls, petroleum products including gasoline, fuel oil, crude oil and various constituents of such products, and any hazardous substance as defined in any Environmental Law (collectively, “**Hazardous Substances**”) have been generated, treated, stored, transferred from, released or disposed of, or otherwise placed, deposited in or located on the Property in violation of any Environmental Law, nor has any activity been undertaken on the Property that would cause or contribute to the Property becoming a treatment, storage or disposal facility within the meaning of any Environmental Law. The term “**Environmental Law**” as used in this Agreement shall mean any and all federal, state and local laws, statutes, codes, ordinances, regulations, rules, policies, consent decrees, judicial orders, administrative orders or other requirements relating to the environment or to human health or safety associated with the environment, all as amended or modified from time to time. To the best of Seller’s knowledge, there has been no discharge, release or threatened release of Hazardous Substances from the Property, and there are no Hazardous Substances or conditions in or on the Property that may support a claim or cause of action under any Environmental Law. The Property is not now, and to the best of Seller’s knowledge never has been, listed on any list of sites contaminated with Hazardous Substances, nor used as landfill, dump, disposal or storage site for Hazardous Substances.

5.1.8 Payment of Labor and Materials. Seller and, to Seller’s knowledge, Tenant and Subtenant, have paid, and will prior to Closing pay, for all materials provided to and labor performed at the Property prior to Closing.

5.1.9 Wells. To Seller’s knowledge, no wells exist the described Real Property within the meaning of Minn. Stat. § 103I. This representation is intended to satisfy the requirements of that statute.

5.1.10 Storage Tanks. To Seller’s knowledge, no “aboveground storage tanks” or “underground tanks” (within the meaning of Minn. Stat. §116.46) are located in or about the Real Property, or have been located under, in or about the Real Property and have subsequently been removed or filled.

5.1.11 Individual Sewage Treatment Systems. Solely for purposes of satisfying the requirements of Minn. Stat. § 115.55, Seller certifies there is no “subsurface sewage treatment system” (within the meaning of that statute) on or serving the Real Property.

5.1.12 Methamphetamine. To Seller’s knowledge, no methamphetamine production has occurred on the property.

5.1.13 FIRPTA. Seller is not a “foreign person”, “foreign partnership”, “foreign trust” or “foreign estate”, as those terms are defined in Section 1445 of the Internal Revenue Code.

5.1.14 No Conflict. Neither the execution and delivery of this Agreement, the consummation of Closing, nor compliance with the terms and provisions of this Agreement conflict with or result in a breach of any of the terms, conditions or provisions of the operating agreement, written actions, or governing documents of Seller or any agreement or instrument to which Seller is now a party.

All representations and warranties of Seller in this Agreement shall terminate twelve (12) months after the Closing Date, and Seller shall have no liability thereafter with respect to such representations and warranties except to the extent Buyer has filed a lawsuit against Seller during such 6-month period for breach of any representation or warranty. As used herein, all references to Seller’s knowledge shall mean to the actual knowledge of Thomas M. Peterson, with no duty of inquiry or imputed personal liability regarding the matters. If Seller becomes aware of any fact or circumstance prior to the Closing Date that would render any of Seller’s representations and warranties in this Agreement false or inaccurate, Seller shall provide prompt notice to Buyer of such fact or circumstance, and Seller’s representations and warranties shall be qualified by and subject to such fact or circumstance. Following receipt of such notice, Buyer shall have until the later of the expiration of the Due Diligence Period, or the date five (5) business days after receiving such notice, to elect to terminate this Agreement by providing written notice to Seller, in which event this Agreement shall terminate, the parties shall be released from all obligations and liabilities under this Agreement except for those that expressly survive termination, and the Deposit shall be released to Buyer. If Buyer does not elect to so terminate this Agreement by timely providing Seller with written notice of the same, Buyer shall be deemed to have waived any objection to such fact or circumstance. If Buyer becomes aware of any fact or circumstance prior to the Closing Date that would render any of Seller’s representations and warranties in this Agreement false or inaccurate, Buyer shall provide prompt notice to Buyer of such fact or circumstance (unless Buyer learns of the same through a notice from Seller). Buyer shall have until the later of the expiration of the Due Diligence Period, or the date five (5) business days after learning of such fact or circumstance, to elect to terminate this Agreement by providing written notice to Seller, in which event this Agreement shall terminate, the parties shall be released from all obligations and liabilities under this Agreement except for those that expressly survive termination, and the Deposit shall be released to Buyer. Notwithstanding anything to the contrary in this Agreement, in the event Buyer learns of any fact or circumstance that would render any representation or warranty of Seller in this Agreement false or inaccurate, but nevertheless proceeds to consummate Closing, Seller’s representations and warranties shall be deemed to be qualified by and subject to such fact or circumstance, and Buyer shall be deemed to have waived any claim against Seller regarding the same.

5.2 Buyer Representations and Warranties. Buyer represents and warrants to Seller as of the Effective Date, and shall be deemed to represent and warrant to Buyer as of the Closing Date, as follows:

5.2.1 Existence; Authority. Buyer is a public body corporate and politic duly organized, qualified and in good standing under the laws of the State of Minnesota, and has the requisite power and authority to enter into and perform this Agreement and Buyer Deliverables, and all such documents when executed will be valid and binding obligations of Buyer, enforceable in accordance with their terms.

5.2.2 No Conflict. Neither the execution and delivery of this Agreement, the consummation of Closing, nor compliance with the terms and provisions of this Agreement conflict with or result in a breach of any

of the terms, conditions or provisions of laws, authority, resolutions, or consents governing Buyer or any agreement or instrument to which Buyer is now a party.

All representations and warranties of Buyer in this Agreement shall terminate six (6) months after the Closing Date, and Buyer shall have no liability thereafter with respect to such representations and warranties except to the extent Seller has filed a lawsuit against Buyer during such 6-month period for breach of any representation or warranty.

**6. Condition of Property; AS-IS.** Buyer acknowledges and agrees that if Buyer elects to purchase the Property, Buyer will be acquiring the Property in “AS IS, WHERE IS, WITH ALL FAULTS AND DEFECTS” condition.

6.1 Buyer acknowledges and agrees that, if it elects to purchase the Property, such election shall have been based upon Buyer’s own independent evaluation of information deemed relevant to Buyer. Buyer has been and is being provided ample opportunity to prepare, obtain, review and approve, among other things, all reports, inspections, and examinations of the Property as Buyer may deem necessary in order to determine that the Property is suitable for Buyer’s intended use, as well as to investigate all zoning requirements, federal, state and local laws, ordinances, rules, regulations, permits, licenses, approvals and orders applicable to the Property. Buyer acknowledges and agrees: (a) it shall rely, and shall be deemed to have relied, solely on its own investigation, and it has not relied upon and will not rely upon any oral or written information provided by Seller or its personnel or agents; (b) that no employee or representative of Seller has been authorized to make and that Buyer has not relied upon any statements of Seller with respect to the condition of the Property; (c) Buyer bears the sole responsibility to inspect the Property and review all information pertaining to the Property; (d) any reports or information pertaining to the Property, provided by Seller to Buyer, have been and are being provided to Buyer by Seller for informational purposes only and Seller does not warrant the accuracy or completeness of any such items; and I Buyer is assuming all risks concerning the Property.

6.2 Buyer acknowledges and agrees that, except for the representations and warranties of Seller contained in *Section 5*, Seller and anyone acting on its behalf has not made, and does not make and specifically disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to this transaction or the Property, including, but not limited to: (a) the nature, quality or condition of the Property, including, without limitation, the quality of construction and structural condition of the Building, the habitability, merchantability or fitness for a particular purpose of the Property; (b) the income to be derived from any and all activities and uses which Buyer may conduct on the Property; (c) the suitability of the Property for any and all activities and uses which Buyer may conduct thereon; (d) the compliance of or by the Property or its operation with any laws, rules, ordinances or regulations of any applicable governmental authority or body, including, but not limited to, the Americans With Disabilities Act of 1990 and the regulations promulgated thereunder; or I the presence or absence of any hazardous substances on the Property or the compliance of the Property with any environmental laws. Any other matter with respect to the Property.

6.3 Except for a breach of a representation or warranty of Seller contained in *Section 5*, Buyer hereby releases Seller from and waives any and all claims and liabilities against Seller for, related to or in connection with (a) any environmental or physical condition of the Property, including, without limitation, claims and liabilities relating in any manner to any hazardous, toxic or dangerous materials or substances located in, at, about or under the Property and (b) any and all claims or causes of action (actual or threatened) based upon, in connection with or arising out of any Environmental Laws and related to environmental matters or liability with respect to or affecting the Property. Except as set forth in this Agreement and any documents delivered by Seller to Buyer at Closing, upon Closing Buyer shall assume the risk that adverse matters including, without limitation, construction defects and adverse physical and environmental conditions, may not have been revealed by Buyer’s investigations and diligence concerning the Property, and Buyer, upon Closing, shall be deemed to have waived, relinquished and

released Seller from and against any and all claims demands, causes of action, losses, damages, liabilities, costs and expenses (including attorneys' fees and court costs) of any and every kind or character, known or unknown, which Buyer might have asserted or alleged against Seller at any time by reason of or arising out of any latent or patent construction defects or physical conditions, violations of applicable law (including, without limitation, Environmental Laws) and all other acts, omissions, events or circumstances or matters regarding the Property. The terms in the entirety of this *Section 6* shall survive Closing or the sooner termination of this Agreement.

7. **Executory Period.** During the period from the Effective Date to the Closing Date, Seller will manage, operate, and maintain the Property in the ordinary course of business, and will not execute any contracts, leases, or other agreements regarding the Property that are not terminable on or before the Closing Date, without the prior consent of Buyer, which consent shall not be unreasonable withheld, conditioned, or delayed.

8. **Closing.** Consummation and closing of the transaction contemplated in this Agreement ("**Closing**") shall occur on the date fifteen (15) days after the expiration of the due diligence period (the "**Closing Date**"), subject any extension expressly referenced in this Agreement. In all events the Closing Date shall mean the actual date of Closing. Closing shall take place virtually by delivery of the Seller Deliverable and Buyer Deliverable to the Title Company on or prior to the Closing Date.

8.1 **Seller Deliverables.** On or before the Closing Date, Seller shall deposit with the Title Company the following, executed and acknowledged as appropriate (the "**Seller Deliverables**"):

8.1.1 **Limited Warranty Deed.** A limited warranty deed conveying the Land to Buyer, Subject to the Permitted Exceptions, and subject to the "standard exceptions" in the Title Commitment, in a form mutually and reasonably acceptable to the parties and the Title Company.

8.1.2 **General Assignment and Quit Claim Bill of Sale.** A general assignment and quit claim bill of sale, assigning the Contracts and Intangible Property and quit claiming in current as-is condition without representation or warranty the Personal Property to Buyer, in a form mutually and reasonably acceptable to the parties.

8.1.3 **Assignment and Assumption of Lease.** An assignment and assumption of lease agreement, assigning Seller's interest as landlord under the Lease to Buyer, in a form mutually and reasonably acceptable to the parties.

8.1.4 **Certification of Non-Foreign Status.** An executed certification that withholding of tax is not required upon Closing, in accordance with the requirements of the Foreign Investment in Real Property Tax Act of 1980, I.R.C. Section 1445 (1984), as then in effect.

8.1.5 **Owner's Affidavit.** A reasonable and customary owner's affidavit reasonably required by the Title Company and in a form reasonably acceptable to Seller.

8.1.6 **Other Documents.** Other documents as may be reasonably requested by the Title Company or Buyer, and necessary for Closing pursuant to the terms and conditions of this Agreement, including but not limited to Seller's settlement statement and a 1099-S form.

8.2 **Buyer Deliverables.** On or before the Closing Date, Buyer shall deposit the following with the Title Company, executed and acknowledges as appropriate (the "**Buyer Deliverables**"):

8.2.1 **Purchase Price.** The balance of the Purchase Price, as adjusted for closing costs, debits, and credits as described in this Agreement, and the Personal Property Price.

8.2.2 General Assignment and Quit Claim Bill of Sale. A counterpart signature page to the general assignment and quit claim bill of sale described in *Section 8.1.2*.

8.2.3 Assignment and Assumption of Lease. A counterpart signature page to the assignment and assumption of lease agreement described in *Section 8.1.3*.

8.2.4 Other Documents. Other documents as may be reasonably requested by the Title Company or Seller and necessary for Closing pursuant to the terms and conditions of this Agreement, including but not limited to Buyer's settlement statement.

## **9. Closing Costs & Prorations.**

9.1 General Costs. The general costs and expenses due and payable at Closing shall be paid by the parties, respectively, as follows:

| <b>Buyer</b> | <b>Closing Cost</b>                                    | <b>Seller</b> |
|--------------|--------------------------------------------------------|---------------|
| X            | Owner's title policy premium                           |               |
| X            | Owner's title policy endorsements or extended coverage |               |
|              | Title Commitment fee to Title Company                  | X             |
| X            | Survey and inspection fees                             |               |
| ½            | Escrow/closing fee of Title Company                    | ½             |
| X            | Cost to record the limited warranty deed               |               |
|              | State deed tax                                         | X             |
|              | Cost to release or satisfy any Liens                   | X             |
|              | Broker's fees                                          | X             |
|              | Seller's attorney fees                                 | X             |
| X            | Buyer's attorney fees                                  |               |

9.2 Taxes and Assessments. Real estate taxes and special assessments for the Real Property for the first half of 2024 and prior periods have been paid. Pursuant to the Lease, Tenant is responsible for paying real estate taxes and special assessments directly to the taxing authorities. Such taxes and assessments for the second half of 2024 shall not be prorated at Closing, and Buyer shall be responsible for and look to Tenant for payment of the same when such become due. Buyer shall promptly after closing submit any customary documentation required to notify applicable taxing authorities of Buyer's ownership and tax-exempt status. The provisions of this *Section 9.2* shall survive Closing.

9.3 Leases and Rents. Rent payable to the landlord under the Lease shall be prorated between Buyer and Seller on a per diem basis as of the Closing Date, with Seller retaining and being entitled to all rent applicable to the period prior to the Closing Date, and Buyer being entitled to all rent applicable to the period on and after the Closing Date. In the event either party receives rent payments under the Lease, all or a portion of which the other party is entitled to, the receiving party shall remit to the other party such owed amount within ten (10) business days of the receiving party's receipt. The provisions of this *Section 9.3* shall survive Closing.

9.4 Other Costs. Any costs and expenses due and payable at Closing that are not expressly allocated between the parties in this Agreement, shall be allocated in accordance with local customs for commercial real estate transactions in Ramsey County, Minnesota. Possession of the Property shall be delivered to Buyer on the Closing Date, and Buyer shall be entitled to rents and revenue applicable to the Closing Date, and shall be responsible for costs and obligations applicable to the Closing Date.

**10. Brokers.** Seller has engaged Lee & Associates (“**Seller’s Broker**”) as the exclusive agent for Seller in connection with this Agreement. Seller shall pay Seller’s Broker a fee of One and One-Half Percent (1.5%) of the Purchase Price at Closing. Seller represents and warrants to Buyer that Seller has engaged no other broker or agent in connection with this Agreement. Buyer represents and warrants to Seller that Buyer has engaged no other broker or agent in connection with this Agreement. Buyer and Seller each agree to indemnify and hold the other harmless from any claims, commissions, compensation, fees, costs, or demands made by brokers, agents, or similar persons acting on behalf of or under themselves respectively in connection with this Agreement. The provisions of this *Section 10* shall survive Closing or any termination of this Agreement.

**11. Assignment.** Buyer shall not make any assignment or transfer of this Agreement without the prior written consent of Seller, which shall not be unreasonably withheld. Such assignment or transfer, if any, shall not relieve the original named Buyer of its obligations under this Agreement in the event that the assignee or transferee should default under this Agreement.

**12. Casualty Loss.** If all or any part of the Property is substantially damaged by fire, casualty, the elements or any other cause, Seller shall immediately give notice to Buyer, and Buyer shall have the right to terminate this Agreement and receive back the Deposit by giving notice thereof to Seller within thirty (30) days after Seller’s notice. If Buyer shall fail to give the termination notice, then the parties shall proceed to Closing, and Seller shall assign to Buyer all rights to insurance proceeds resulting from such event, to the extent not already applied to the repair of the damage, and Seller shall give Buyer a credit against the Purchase Price equal to the amount of Seller’s applicable insurance deductible. For purposes of this Section, the words “substantially damaged” mean damage that would cost One Hundred Thousand and 00/100 Dollars (\$100,000.00) or more to repair.

**13. Condemnation.** If any condemnation or eminent domain (a “**Taking**”) affects all or any part of the Property prior to Closing, or if any proceeding for a Taking is commenced prior to Closing, or if notice of the contemplated commencement of a Taking is given prior to Closing, Seller shall deliver written notice of such Taking to Buyer and Buyer, to the extent such Taking is material, shall have the right, at its sole option of terminating this Agreement (by written notice to Seller within thirty (30) days after receipt by Buyer of written notice from Seller of the Taking) and receiving a full refund of the Deposit. For purposes hereof, a “material” Taking shall mean a Taking of all or any portion of the Property which causes (i) a material reduction in the size of the Property or a material interference with the use and operation of the Property, (ii) a reduction in the number of parking spaces available at the Property so as to cause the property to be out of compliance with the then-current parking requirements of any governmental authority, (iii) a material adverse effect on the ingress and egress to and from the Property, or (iv) a taking that eliminates any portion of a building. If Buyer does not terminate this Agreement, the Purchase Price shall be reduced by the amount of any award or damage actually received by Seller prior to Closing, and Seller shall, at Closing, assign to Buyer all of Seller’s right, title and interest in and to any awards or damages not actually received by Seller prior to Closing but to which Seller may have become entitled or may thereafter be entitled by reason of any exercise of the power of eminent domain or condemnation with respect to or for the Taking of the Property or any portion thereof. Prior to the Closing Date, Seller shall not designate counsel, appear in, or otherwise act with respect to the condemnation proceedings without Buyer’s prior written consent. Buyer shall not initiate or participate in the initiation of condemnation proceedings, or contemplate commencement of a Taking, against all or any portion of the Property.

**14. Remedies.** If either party defaults or breaches this Agreement, and fails to cure the same in full within thirty (30) days following receipt of written notice of such default or breach by the non-defaulting party, the non-defaulting party shall have the right to terminate this Agreement upon written notice to the defaulting party, in accordance with applicable Minnesota statutes. To the extent Buyer terminates this Agreement due to a default or breach on the part of Seller, Buyer shall be entitled to a return of the Deposit. To the extent Seller terminates this Agreement due to a default or breach on the part of Buyer, the Deposit plus any interest that accrued on it, shall be released to Seller as liquidated damages, the parties agreeing that Seller’s actual damages in the event of a Buyer default would be extremely difficult if not impossible to determine. The right to terminate this Agreement, by a

non-defaulting party, and return or release (as applicable) of the Deposit, shall be the sole and exclusive remedy available under this Agreement for such non-defaulting party. A party's failure to close the transaction contemplated in this Agreement on the Closing Date (subject to any extensions expressly described in this Agreement) shall constitute a breach of this Agreement, except to the extent due to the other party's non-performance, default, or breach.

**15. Attorneys' Fees.** The prevailing party in any action or proceeding to enforce or interpret, or otherwise arising out of or relating to, this Agreement or any provision thereof (including, but not limited to, any arbitration, trial, administrative hearing, bankruptcy or appeal) shall be entitled to recover from the other party all of its costs and expenses, including but not limited to reasonable attorneys' fees and experts' fees.

**16. Notices.** All notices and other communications under this Agreement shall be in writing and shall be deemed duly given: (a) when delivered if personally delivered to the recipient; (b) on the first business day following deposit with a nationally recognized overnight delivery service (e.g., FedEx), provided delivery is confirmed by the delivery service; or (c) on the earlier of actual receipt or three (3) business days following deposit in United States registered or certified mail, postage prepaid and return receipt requested, addressed to the parties as set forth below. Notwithstanding the foregoing, Buyer's Title Notice and Seller's Title Notice, may be sent by email (at the email addresses below), and shall be received on the day such email is sent, if (i) such email is actually received by the non-sending party prior to 5:00 PM CST on such date, and (ii) such date is a business day. If (i) and (ii) in the preceding sentence are not satisfied, the email will be deemed received on the following business day when it is actually received by the non-sending party. Any party may change its address for notices by giving written notice to the other parties in the manner set forth above.

If to Seller: P & P Holdings, LLP  
60 Sycamore Street W  
St. Paul, MN 55117  
Attn: Thomas M. Peterson  
Email: tmpeterson@ct-holdings.com

With a copy to: Maslon LLP  
225 South Sixth Street, Suite 2900  
Minneapolis, MN 55402  
Attn: Bill Mower  
Email: bill.mower@maslon.com

If to Buyer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_

With a copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_

**17. Like Kind Exchange.** Either Buyer or Seller may elect to treat the transaction as a deferred like kind exchange under Internal Revenue Code Section 1031 or under Internal Revenue Code Section 1033. The parties agree to cooperate in the event the one or both elects such deferred exchange treatment, provided: (a) the non-exchanging party shall not be required to take title to any exchanged or replacement property; (b) the non-

exchanging party shall incur no additional costs or liabilities beyond the scope of the Real Property and this Agreement; (c) the exchanging party shall provide to the other party five days in advance of the proposed closing of the sale on the Real Property, copies of all exchange documents, if any, for said party's counsel's review and approval; and (d) said exchange shall not delay the closing on the Property.

**18. Blocked Persons.** Neither Seller nor Buyer, nor, to the actual knowledge of Seller or Buyer, or any of their respective affiliates, is in violation of any laws relating to terrorism or money laundering ("Anti-Terrorism Laws"), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "**Executive Order**"), and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56. Neither party hereto nor, to the knowledge of the parties, any of their affiliates, or their respective brokers or other agents acting or benefiting in any capacity in connection with the transaction contemplated hereby, is any of the following: (a) a person or entity that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order; (b) a person or entity owned or controlled by, or acting for or on behalf of, any person or entity that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order; (c) a person or entity with which either party is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law; (d) a person or entity that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order; or (e) a person or entity that is named as a "specially designated national and blocked person" on the most current list published by the U.S. Treasury Department Office of Foreign Asset Control at its official website or any replacement website or other replacement official publication of such list. Neither party, nor to the knowledge of either party, any of its brokers or other agents acting in any capacity in connection with the transaction contemplated hereby (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any person described in this Section 18, (ii) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order, or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law. This Agreement may be terminated by either party if the other party is determined to be a blocked person within the meaning of the Executive Order.

**19. Miscellaneous Provisions.**

19.1 Successors. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective heirs, successors, representatives and assigns.

19.2 Entire Agreement. This Agreement, including all recitals, exhibits and schedules hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all prior or contemporaneous understandings, negotiations, representations, promises and agreements, oral or written, by or between the parties, with respect to the subject matter hereof. No representations, inducements, promises, or agreements have been made in connection with this Agreement by any party, or anyone acting on behalf of any party. This Agreement may be amended, modified or supplemented only by a writing signed by the parties to be bound by such amendment. The recitals set forth above and all attached exhibits are incorporated by this reference as part of this Agreement.

19.3 Severability. If any term or provision of this Agreement is ever determined to be invalid or unenforceable for any reason, such term or provision shall be severed from this Agreement without affecting the validity or enforceability of the remainder of this Agreement.

19.4 No Joint Venture. This Agreement shall not be deemed to create any joint venture or partnership between Buyer and Seller.

19.5 No Third Party Beneficiaries. This Agreement, and each provision hereof, is intended solely for the mutual benefit of Buyer and Seller and their respective successors and assigns, and is not intended for the benefit

of any third party. No third party has or shall acquire any rights under this Agreement and no third party shall be entitled to rely upon or enforce this Agreement.

19.6 Interpretation. Section headings in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of any provision of this Agreement. The parties have jointly participated in the negotiation and drafting of this Agreement, and this Agreement shall be construed fairly and equally as to the parties, without regard to any rules of construction relating to the party who drafted a particular provision of this Agreement.

19.7 Waiver. No waiver of any provision of this Agreement shall be binding unless executed in writing by the party making the waiver. No waiver of any provision of this Agreement shall be deemed to constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver unless the written waiver so specifies.

19.8 Time. Time is of the essence of this Agreement. All references in this Agreement to “days” shall mean calendar days unless expressly referred to as “business days.” A “business day” or “business days” shall mean a day or days that are not a Saturday, Sunday or legal holiday in which banks in the state of Minnesota are typically closed. If any day for performance falls on, or if any set time period expires on, a day other than a business day, then the time for performance or the expiration of such time period, shall be extended to the first following day that is a business day.

19.9 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

19.10 Confirmation. Upon termination of this Agreement for any reason, each party agrees, upon the written request of the other, to execute and deliver an agreement documenting the termination of this Agreement prior to, if applicable, the return or release of the Deposit to the appropriate party.

19.11 Tax Reporting Requirements. If the sale and transfer of the Property is subject to the reporting requirements for real estate transactions under Section 6045 of the Internal Revenue Code of 1986, then the parties agree that all necessary information shall be given to the person preparing the settlement statement, who shall then be required to make the necessary and timely report.

19.12 Further Assurances. Seller and Buyer shall, in good faith, take such further acts and execute and deliver such further documents and assurances as are reasonably required to give full effect and meaning to this Agreement.

19.13 Counterparts / Electronic Signatures. This Agreement may be executed in counterparts, by ink or electronic signature, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Electronic copies of signatures shall be deemed to constitute originals.

*[Signature page follows]*

Buyer and Seller have executed and agreed to this Agreement as of the Effective Date.

**Seller:**

P & P Holdings, LLP,  
a Minnesota limited liability partnership

By: \_\_\_\_\_  
Name: Thomas M. Peterson  
Its: Managing Partner

**Buyer:**

City of Saint Paul,  
a Minnesota public body corporate and politic

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

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

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

Approved as to Form:

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

## **Exhibit A**

### **Legal Description of Land**

*[The precise legal description of the Land is to be determined by the Title Evidence. In the event of a discrepancy between the legal description of the Land in the Title Evidence, and this Exhibit A, the legal description in the Title Evidence shall control. It is the intent of the parties that the Land consist of the approximately 3.75 acres of land owned by Seller, addressed 60 Sycamore Street West, St. Paul, Minnesota, and identified by PIDs: 30-29-22-33-0242, 30-29-22-33-0251, and 30-29-22-33-0244.]*

#### **PARCEL 1:**

Lot 1, Block I, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots to St. Paul, Minnesota, according to the recorded plat thereof, together with that part of vacated Park St. and North-South alley accruing thereto.

#### **PARCEL 2:**

Lot 2, in Block 1, in Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, of Guerin's Outlots to the City of St. Paul, according to the recorded plat thereof.

#### **PARCEL 3:**

Lots 3, 6, and 7, Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots, St. Paul Minnesota, subject to street, according to the recorded plat thereof.

#### **PARCEL 4:**

Lots 4 and 5, in Block I, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots, St. Paul, Minnesota, according to the recorded plat thereof,

#### **PARCEL 5:**

Lot 8, Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots, St. Paul, Minnesota, according to the recorded plat thereof.

#### **PARCEL 6:**

Lots 9, 10, and 11, Block I, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots, St. Paul, Minnesota, according to the recorded plat thereof, together with that part of vacated Acker St. and the North-South and East-West alleys accruing thereto.

#### **PARCEL 7:**

Lots 12 and 13, Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots, St. Paul, Minnesota, according to the recorded plat thereof.

#### **PARCEL 8:**

Lot 14, Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots, St. Paul, Files of Registrar of Titles, County of Ramsey, State of Minnesota.

**PARCEL 9:**

Lot 15, Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots, St. Paul, according to the recorded plat thereof, together with that part of vacated North-South and East-West alley accruing thereto.

**PARCEL 10:**

East 5 feet of Lots 1, 2, 3, 4, 5, 6, and 7, Block 2, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots to St. Paul according to the recorded plat thereof, together with that part of vacated Park St. accruing thereto. **PARCEL 11:**

Lots 1, 2, 3, and 4, Cardigan's Subdivision, according to the recorded plat thereof, together with that part of vacated North-South alley accruing thereto

**PARCEL 12:**

Lot 11, Guerin's Outlots to Saint Paul, according to the recorded plat thereof, together with that part of vacated Acker St. and North-South alley accruing thereto.

**PARCEL 13:**

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10, Flynn's Subdivision of Lots 1 and 12 of Guerin's Outlots to St. Paul, according to the recorded plat thereof, together with that part of vacated Acker St. accruing thereto.

**PARCEL 14:**

That part of the East Half of Park Street, formerly Park Avenue, vacated, lying between the Westerly extensions across said street of the North line of Lot 2 and the South line of Lot 7, Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots to Saint Paul.

Those parts of the West Half of Park Street, formerly Park Avenue, lying between the Easterly extensions across said street of the North and South lines of Lot 2 and the North and South lines of Lot 4, Block 2, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots to Saint Paul.

That part of the Easterly North-South alley, vacated, in Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots to Saint Paul lying between the Easterly extensions across said alley of the North and South lines of Lot 12, said Block 1; said Easterly North-South alley being the West 10 feet of the 20 foot strip of land between Lots 2 and 3, Guerin's Outlots to Saint Paul and adjoins Lot 12, Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots to Saint Paul.

That part of the North Half of the East-West alley, vacated, in Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots of Saint Paul lying between the Southerly extension across said alley of the West line of Lot 14, said Block 1, and the East line of the Easterly North-South alley in said Block 1; said Easterly North-South alley being the West 10 feet of the 20 foot strip of land between Lots 2 and 3, Guerin's Outlots to Saint Paul and adjoins Lot 12, Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots to Saint Paul.

That part of the South Half of the East-West alley, vacated, in Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots to Saint Paul lying between the Northerly extensions across said alley of the East and West lines of Lot 8, said Block 1.

That part of East Half of the Westerly North-South alley, vacated in Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots to Saint Paul lying between the Westerly extensions across said alley of the centerline of the East-West alley in said Lot 1, and the South line of Lot 8, said Block 1.

That part of the West Half of the Westerly North-South alley, vacated, in Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots to Saint Paul, lying between the extensions across said alley of the North line of Lot 2 and the South line of Lot 7, said Block 1.

That part of the North 30 feet, of Acker Street, vacated, lying between the centerline of Park Street, formerly Park Avenue, vacated, and the Southerly extension across said street of the East lot line of Lot 8, Block 1, Jilson's Subdivision of Lots 3, 4, 5, 6, 7, 8, 9, and 10, Guerin's Outlots to Saint Paul.