



Housing and Redevelopment Authority

Tuesday, August 20, 2024
2:30 PM
Elk River City Hall

Special Meeting Agenda

- Special meeting in Council Chambers
-

1. CALL MEETING TO ORDER
2. PLEDGE OF ALLEGIANCE
3. AMEND MAIN AND GATES PROPERTY PURCHASE AGREEMENT
 - 3.1 Amend Main and Gates Property Purchase Agreement
4. MOTION TO ADJOURN MEETING



Request for Action

To
Housing and Redevelopment Authority

Item Number
3.1

Meeting Date
August 20, 2024

Prepared By
Brent O'Neil, Economic Development Director

Item Description
Consider Amendment Four to Main and Gates
Purchase Agreement

Reviewed by
Brent O'Neil
Cal Portner

Action Requested

Approve, by motion, Amendment Four to the Purchase Agreement for the sale of the Main and Gates Property.

Background/Discussion

As discussed at the most recent HRA meeting, Ron Touchette, the buyer of the Main and Gates properties, has requested additional changes to the purchase agreement on the property by submitting a draft a fourth amendment to the agreement. These requests are summarized as follows:

- A seller credit of \$53,939.00 to repair and restore non-compacted soils and buried debris associated with demolition and fill of former structures on the properties.
- Certifications and warranties against utility disconnects or restorations associated with previous structures.
- Warranties regarding buyer responsibility to maintain the existing water service to 425 3rd St. NW.
- Buyer's right to extend due diligence through building permit approval.
- Clarification of buyer and seller requirements regarding a supplemental development agreement.
- Adding a provision allowing the buyer 90 days to cure failures and defaults under the right of re-entry (reverter) clause.

Following review with legal counsel, staff can support many of these requests, subject to modifications proposed by counsel. Further, staff has been doing its own diligence and believes issues of previous utility disconnects and restorations have been sufficiently performed during demolition. Regarding compacted soils, it is staff's understanding from past meetings with the HRA that the HRA is not inclined to support a seller credit. Therefore, it is not included in the final draft Amendment Four. However, it remains an active request of the buyer and will be presented at the meeting.

Financial Impact

None anticipated, however, some of the warranties have potential costs in the event a warranty action occurs, with a maximum exposure estimated at \$25,000. Further, should the HRA support a credit to the buyer, the net proceeds to the HRA at sale will be reduced accordingly.

The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity



Mission/Policy/Goal

A goal of the HRA is to promote redevelopment projects.

Attachments

1. Proposed Amendment Four
2. Touchette Proposed Amendment Four as Attorney Redlined
3. GeoTech Report Excerpt 07-09-2021
4. Soil Correction Proposal
5. Executed PA and Amendments 1-3

FOURTH AMENDMENT TO PURCHASE AND SALE AGREEMENT

This Fourth Amendment to Purchase and Sale Agreement (this “Fourth Amendment”) is made this _____ day of August, 2024 by and between the Elk River Housing and Redevelopment Authority, a Minnesota body corporate and politic (the “HRA”) and Ronald J. Touchette, a married person (the “Buyer”).

WHEREAS, the HRA and the Buyer entered into that certain Purchase and Sale Agreement dated June 21, 2023, as amended by that certain First Amendment to Purchase and Sale Agreement dated March 14, 2024, as further amended by that certain Second Amendment to Purchase and Sale Agreement dated May 29, 2024, and as further amended by that certain Third Amendment to Purchase and Sale Agreement dated July 5, 2024 (as amended, the “Agreement”) providing for the conveyance by the HRA to the Buyer of certain property located in the City of Elk River, Sherburne County, Minnesota and legally described on the attached Exhibit A (the “Property”); and

WHEREAS, the HRA and the Buyer desire to further amend the Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

1. Amendment to Paragraph 4.3 of the Agreement. The following paragraphs will be added to Paragraph 4.3 of the Agreement to read as follows:

4.3.5 The HRA warrants that all necessary or required water and sanitary sewer utility disconnections to the Property have been made and any restorations associated with the same have been completed.

Additionally, the HRA specifically represents and warrants that with respect to the HRA, the Buyer shall have no responsibility to maintain, protect or provide for the continuation of the use of any portion on, over or under the Property by any private water connections to other properties that are not part of the Property to be conveyed, that are not contained within the current utility easements as shown on the Survey attached herein as Exhibit 4A. This representation and warranty by the HRA shall survive Closing.

2. Amendment to Paragraph 5.1.4 of the Agreement. Paragraph 5.1.4 of the Agreement is amended to read as follows:

5.1.4 Development Agreement. The HRA agrees that the Buyer shall not be required or obligated to obtain or negotiate any development agreements with the HRA in order to obtain or as part of the requirements to obtain a building permit for the Buyer’s Medical on Main building project.

3. Amendment to Paragraph 6.1.1 of the Agreement. Paragraph 6.1.1 of the Agreement is amended to read as follows:

6.1.1 Deed. A quit claim deed conveying the Property to the Buyer. Said quit claim deed shall contain a covenant running with the Property that construction of the footings and foundations for the building on the Property must be completed within one year from the date of the deed or the Property will be conveyed back to the HRA by the Buyer. If such failure is not cured within 90 days upon receipt of written notice from the HRA, unless such failure or delay is caused by or results from acts beyond the Buyer's reasonable control, including the following: fire, flood, earthquake or explosion; war, invasion, hostilities, terrorist threats or acts, riot, or other civil unrest; government order or law; strikes, labor stoppages or slowdowns; or epidemic, pandemic. The building on the Property must be an office building that is at least 6,000 square feet. Upon the timely commencement of construction, the HRA agrees to execute and deliver to Buyer a recordable form of the satisfaction of such covenant and waiver of any right of the HRA to purchase the Property, which may be recorded by Buyer at Buyer's expense in the public records for Sherburne County, Minnesota.

4. Miscellaneous. Except as amended by this Amendment, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment to Purchase and Sale Agreement as of the date written above.

SELLER:

**ELK RIVER HOUSING AND
REDEVELOPMENT AUTHORITY,**

BUYER:

RONALD J. TOUCHETTE,

Denny Chuba, President

Ronald J. Touchette

Brent O'Neil, Executive Director

EXHIBIT A

Legal Description of the Property

Parcels:

Lot 1, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0105

AND;

Lot 3 & Lot 4 except the East 15 feet, Block 1, Auditors Subdivision No 5, according to
the recorded plat thereof, Sherburne County, Minnesota.
PID 75-401-0115

AND;

Lot 7, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0130

AND;

Lot 8, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0135

AND;

Lot 9, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0140

AND;

Lot 10, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0145

AND;

LOT 11 & that part of Lot 12 lying West of the East 4.50 feet of Lot 12, Block 1,
Auditors Subdivision No 5, according to the recorded plat thereof, Sherburne County,
Minnesota.
PID 75-401-0150

* All legal descriptions are subject to verification by a survey.

EXHIBIT 4A
Existing Conditions Survey dated May 16, 2024

~~FORTH~~FOURTH AMENDMENT TO PURCHASE AND SALE AGREEMENT

This ~~Forth~~Fourth Amendment to Purchase and Sale Agreement (this “Fourth Amendment”) is made this ~~5th~~ day of August, 2024 by and between the Elk River Housing and Redevelopment Authority, a Minnesota body corporate and politic (the “HRA”) and Ronald J. Touchette, a married person ~~subsequently assigned to Medical on Main LLC, (as assigned,~~ (the “Buyer”).

WHEREAS, the HRA and the Buyer entered into that certain Purchase and Sale Agreement dated June 21~~st~~, 2023, as amended by that certain First Amendment to Purchase and Sale Agreement dated March 14, 2024, as further amended by that certain Second Amendment to Purchase and Sale Agreement dated May 29~~th~~, 2024, and as further amended by that certain Third Amendment to Purchase and Sale Agreement dated July 5th, 2024 (as amended, the “Agreement”) providing for the conveyance by the HRA to the Buyer of certain property located in the City of Elk River, Sherburne County, Minnesota and legally described on the attached Exhibit A (the “Property”); and

WHEREAS, the HRA and the Buyer desire to further amend the Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

1. Amendment to Paragraph 4.3 of the Agreement. The following paragraphs will be added to Paragraph 4.3 of the Agreement to read as follows:

~~4.3.4 — The HRA shall provide to Buyer a credit upon Closing for the soil correction needs and requirements of the property as identified by the AET soils report in the amount of fifty-three thousand nine hundred thirty-nine dollars (\$53,939.00) for the Buyer to repair and restore the uncompacted soils and buried debris as described in the AET Geo-Tech Report dated 7-9-2021. The Buyer agrees to accept such soils and conditions of the properties upon the receipt of such credit at Closing and the HRA shall have no further obligation or responsibility regarding such soils and debris thereafter. This agreement as detailed herein shall survive Closing.~~

4.3.5 The HRA ~~shall certify, agree and warrant, at the sole expense of the HRA,~~warrants that all necessary or required water and sanitary sewer utility ~~disconnects~~disconnections to the Property have been made and any utility restorations associated with the same have been completed ~~and that the Buyer shall have no obligation regarding the old utility connections or any circumstance or situation arising from same in perpetuity.~~

Additionally, the HRA specifically represents and ~~warranties~~warrants that with respect to the HRA, the Buyer shall have no responsibility to maintain, protect or provide for the continuation of the use of any portion on, over or under the Property by any ~~utility services or connections, including private~~ water connections to other properties that are not part of the Property to be conveyed, that are not contained within the current utility easements as shown

on the Survey attached herein as Exhibit 4A. ~~These representations~~This representation and ~~warranties~~warranty by ~~the Seller and~~ the HRA shall survive Closing.

~~2. Amendment to Paragraph 5.1.2 of the Agreement. Paragraph 5.1.2 of the Agreement is amended to read as follows:~~

~~5.1.2 Land Use Approvals. The Buyer shall have obtained, at the Buyer's sole cost and expense, before the Contingency Date, all consents, agreements, approvals, easements, licenses and adequate assurances that are legally necessary for the Buyer to use the Property for its intended use or purpose, including, but not limited to, land use and building permit approvals from the City of Elk River.~~

~~Buyer agrees to submit, providing for the requisite fees associated or required with such submittal, for review and approval by the City of Elk River Buyer's building permit application for the land use and construction of the site work and building shell components on or before August 12, 2024, ("Building Permit"). Buyer's Contingency Date shall be automatically extended to such date as Buyer receives approval for the Building Permit and is in receipt of such permit authorizing Buyer to begin construction.~~

2. ~~3. Amendment to Paragraph 5.1.4 of the Agreement. Paragraph 5.1.4 of the Agreement is amended to read as follows:~~

5.1.4 Development Agreement. The HRA ~~shall affirmatively warrant~~agrees that the Buyer shall not be required or obligated to obtain or negotiate any development agreements with the HRA in order to gain~~gain~~obtain or as part of the requirements to gain~~gain~~obtain a building permit for the ~~Buyers~~Buyer's Medical on Main building project, ~~effective as of the date Buyer submits for Buyer's Building Permits, as hereinafter defined and not later than the Contingency Date, or agrees to extend such contingency date until such time as such an affirmation, reasonable acceptable to Buyer, can be provided or is received by Buyer.~~

3. ~~4. Amendment to Paragraph 6.1.1 of the Agreement. Paragraph 6.1.1 of the Agreement is amended to read as follows:~~

6.1.1 Deed. A quit claim deed conveying the Property to the Buyer. Said quit claim deed shall contain a covenant running with the Property that construction of the footings and foundations for the building on the Property must ~~have commenced~~be completed within one year from the date of the deed or the Property will be conveyed back to the HRA by the Buyer ~~upon the HRA's return of the Purchase Price to Buyer, if.~~ If such failure is not cured within ~~ninety (90)~~ days upon receipt of written notice from the HRA, unless ~~Buyer shall be unintentionally or uncontrollably delayed, hindered or prevented from commencing construction within one year from the date of the deed by reason of labor difficulties, inability to procure materials, restrictive governmental laws or regulations, insurrection, war, terrorists acts, acts of God,~~

~~governmental delay, adverse weather conditions, terrorism, or other reason of like nature not the fault of the Buyer~~ such failure or delay is caused by or results from acts beyond the Buyer's reasonable control, including the following: fire, flood, earthquake or explosion; war, invasion, hostilities, terrorist threats or acts, riot, or other civil unrest; government order or law; strikes, labor stoppages or slowdowns; or epidemic, pandemic. The building on the Property must be an office building that is at least 6,000 square feet. Upon the timely commencement of construction, the HRA agrees to execute and deliver to Buyer a recordable form of the satisfaction of such covenant and waiver of any right of the HRA to purchase the Property, which may be recorded by Buyer at Buyer's expense in the public records for Sherburne County, Minnesota.

4. ~~5.~~ Miscellaneous. Except as amended by this Amendment, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this ~~Forth~~Fourth Amendment to Purchase and Sale Agreement as of the date written above.

SELLER:

BUYER:

**ELK RIVER HOUSING AND
REDEVELOPMENT AUTHORITY,**

RONALD J. TOUCHETTE,

Denny Chuba, President

Ronald J. Touchette

Brent O'Neil, Executive Director

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Lot 10, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0145

AND;

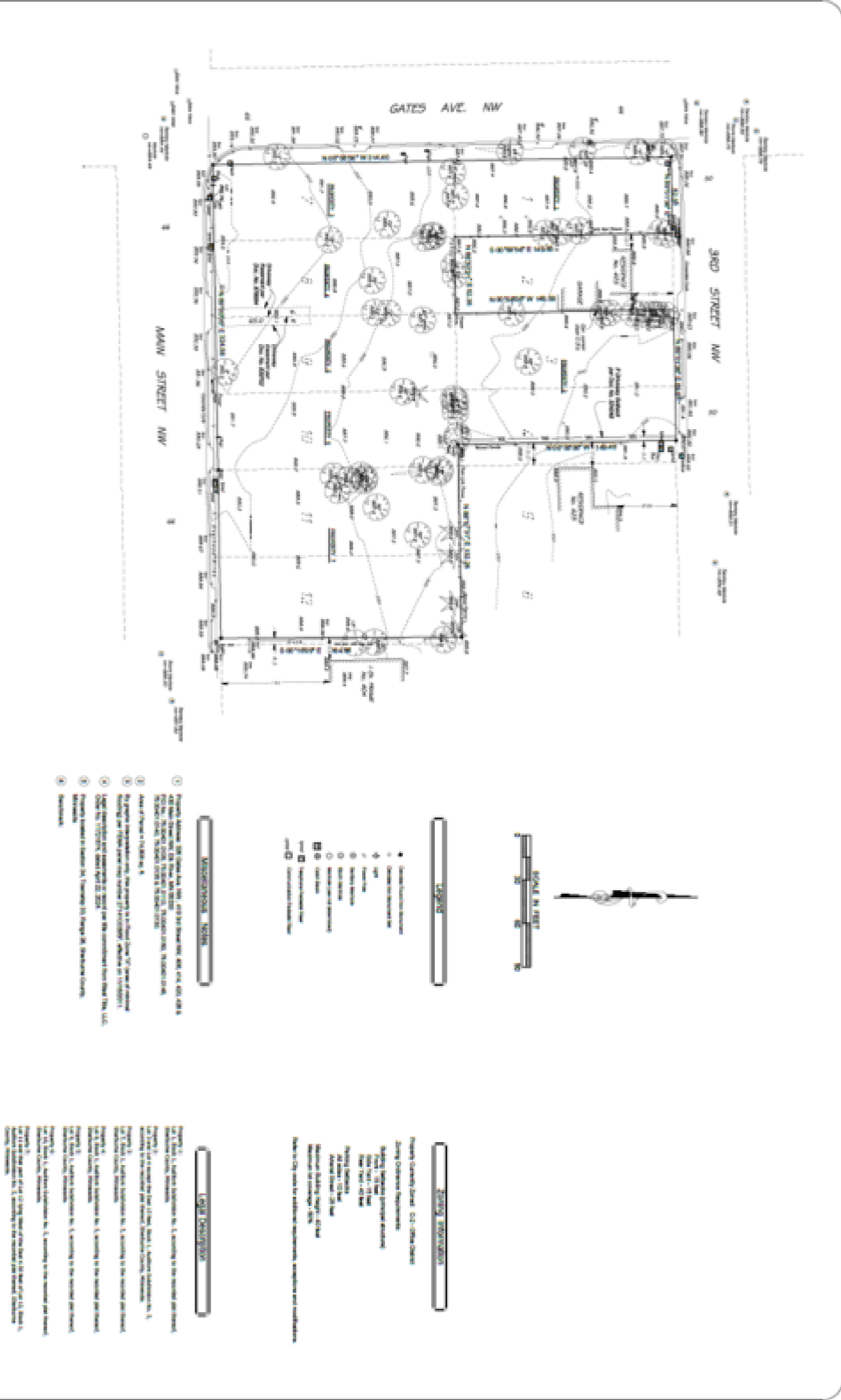
LOT 11 & that part of Lot 12 lying West of the East 4.50 feet of Lot 12, Block 1,
Auditors Subdivision No 5, according to the recorded plat thereof, Sherburne County,
Minnesota.
PID 75-401-0150

* All legal descriptions are subject to verification by a survey.

EXHIBIT 4A

Existing Conditions Survey dated May 16, 2024

PROJECT 1073001.DWG 11/11/2011	DATE 11/11/2011	REVISION SUMMARY	DESIGNER LARRY BENTLEY & ASSOCIATES 7078 East Fish Lake Road Maple Grove, MN 55311	DATE OF SURVEY 11/11/2011	PROJECT NAME 1073001.DWG 11/11/2011
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Document comparison by Workshare Compare on Wednesday, August 14, 2024
9:28:25 AM

Input:	
Document 1 ID	PowerDocs://DOCSOPEN/970271/1
Description	DOCSOPEN-#970271-v1-Fourth_Amendment_to_Purchase_Agreement
Document 2 ID	PowerDocs://DOCSOPEN/970271/2
Description	DOCSOPEN-#970271-v2-Fourth_Amendment_to_Purchase_Agreement
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	34
Deletions	40
Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	74

5.2 Subsurface Soils/Geology

The site geology consists of fill or topsoil over sandy alluvial soils. Additional information on the soil layers encountered is outlined below.

5.2.1 Fill

Fill soils were encountered at the surface of all the soil borings except Boring SB-3. The fill extends to a depth of about 4 to 7 feet below existing grades. The fill soils are primarily silty sands and sands with silt with trace roots and organic fines. Borings SB-2 encountered debris consisting of wood within the fill. These soils are moderately slow draining and susceptible to freeze-thaw movements. Due to the presence of the organic fines and low and variable N-values, we judge that these soils were not placed and compacted for structural support.

The existing fill at Borings SB-2 contained pieces of wood. There may be other types of debris present in the fill that were not sampled in our boring. Test pits with a backhoe could further define the amount, type and extent of the debris with environmental sampling performed. Fill that contains debris is considered "Regulated" by the MPCA and requires proper disposal, usually at a designated landfill. Because cutting is anticipated at Borings SB-2 to correct the subgrade soils, environmental pre-qualification of the fill prior to excavation would aid in obtaining representative earthwork bids and help avoid construction delays.

5.2.2 Topsoil

Topsoil was encountered at the surface of Boring SB-3. The topsoil extends to depths of about 3 feet beneath existing grade. The topsoil consists primarily of silty sands with organics. These soils are fairly fast draining and moderately susceptible to freeze-thaw movements. Due to the presence of the organic fines, we judge these soils to be slightly compressible under structural loads.

5.2.3 Alluvial Soils

Alluvial soils were encountered in all of the soil borings beneath the fill or topsoil. These soils were classified as sands with varying amounts of gravel. These soils had N-values ranging from 2 to 18 blows per foot. The alluvial soils are judged to have moderate strength and moderately low compressibility. They are fast draining and are low to slightly frost susceptible when they are impacted by freezing temperatures.

5.3 Groundwater

We encountered groundwater while drilling in Boring SB-3 at a depth of 13 feet which is an elevation of 76 feet. Groundwater was not encountered in any of the other borings at the time they were drilled. As these borings terminated in free draining sands, we judge the water level to be below the depth explored by our borings.

Groundwater levels fluctuate due to varying seasonal and annual rainfall and snow melt amounts, as well as other factors. The Twin Cities area has been in a low precipitation pattern for the last 2 years and the presently observed ground water levels may be lower than normal. Long term monitoring of the groundwater table can be performed with piezometers, which were not part of our work scope.

6.0 RECOMMENDATIONS

6.1 Approach Discussion

Based on the soil conditions encountered at our boring locations and on the preliminary design information that is available, it is our opinion that **the building can be supported on conventional spread footings after removing the fill and topsoil to the underlying alluvial sands and placing engineered fill to attain building subgrade elevation.** In our opinion, the existing fill soils are considered undocumented fill soils that were **not placed with the intent to provide structural support.**

We recommend that full-time observation and testing services be provided by a Geotechnical Engineer/Technician during stripping of the near surface soils and excavation of the previously placed fill with observation of all exposed soils prior to placing new fill or concrete.

Details of our recommendations for site preparation are as follows.

6.2 Building Grading

6.2.1 Excavation

To prepare the building area for foundation and slab support, **we recommend complete excavation of the fill and topsoil,** thereby exposing the naturally deposited alluvial sands. Any remnants or utilities from the previous residence or structures at the site should also be

completely removed. This would result in excavation depths at the boring locations as shown in Table 6.2.1.

Table 6.2.1 – Recommended Excavation Depths

Boring Location	Surface Elevation (ft)	Excavation Depth (ft)	Approximate Excavation Elevation (ft)*
1	96.3	4	92
2	94.4	7	87
3	89.3	3	86
4	92.9	7	86

**Rounded to the nearest 1/2 foot.*

The depths/elevations indicated in Table 6.2.1 are based on the soil conditions at the specific boring locations. Since conditions will vary away from the boring locations, it is recommended that AET geotechnical personnel observe and confirm the competency of the soils in the entire excavation bottom prior to new fill or footing placement.

Where the excavation extends below foundation grade, the excavation bottom and resultant engineered fill system must be oversized laterally beyond the planned outside edges of the foundations to properly support the loads exerted by that foundation. This excavation/engineered fill lateral extension should at least be equal to the vertical depth of fill needed to attain foundation grade at that location (i.e., 1:1 lateral oversize).

Prior to placing fill soils above the naturally deposited alluvial soils, we recommend the soils be surface compacted to improve density and provide a more consistent subgrade condition. We recommend the soils be compacted by a self-propelled roller having a minimum drum diameter of 3 feet. The compactor should make at least 8 passes over the entire excavation bottom in perpendicular directions (e.g. 4 passes east-west and 4 passes north-south) before beginning fill placement. The base soils may need to be wetted prior and during compaction.

6.2.2 Fill Placement and Compaction

Fill placed to attain grade for foundation and floor slab support should be compacted in thin lifts (less than 8 inches in thickness), such that the entire lift achieves a minimum compaction level of 98% of the standard maximum dry unit weight per ASTM:D698 (Standard Proctor test). Fill

placed which supports the floor slab only (outside of the 1:1 oversize zone below footings) for cast foundation backfill or interior utilities can have a reduced minimum compaction level of 95% of the standard maximum dry unit weight. All fill should be placed at a moisture content of +/- 2% of optimum as defined by the standard proctor test.

The excavated onsite soils can be reused as engineered fill, provided they are free of organics, debris, and other deleterious materials. It is beyond our scope of services to determine the volume of materials onsite that is suitable for reuse. Consideration of excavating a borrow area in either a "green area" or possibly a parking area can also be considered to obtain naturally deposited sand soils for the building pad fill. The borrow area can be re-filled and compacted with on site fills placed according to MPCA Best Management Practices.

If imported soils are required, we recommend using sands with silt or sands meeting MnDOT 3149.2.B.2 Select Granular Borrow, similar to the existing site soils. The sand should be classified as (SP) or (SP-SM). Frozen soils should not be used as fill and fill should not be placed over frozen soils. If a different material is proposed, samples should be submitted to AET for review.

If there are areas where fill is placed on slopes, we recommend benching the sloped surface (benches cut parallel to the slope contour) prior to placing the fill. Benching is recommended where slopes are steeper than 4:1 (H: V).

6.3 Foundation Design

The anticipated structure can be supported on conventional spread foundations placed on the newly placed engineered fill or the natural alluvial soils. We recommend perimeter foundations for heated building space is placed such that the bottom is a minimum of 48 inches below exterior grade. We recommend foundations for unheated building space (such as canopy foundations) be extended to a minimum of 60 inches below exterior grade.

Based on the conditions encountered, it is our opinion the building foundations can be designed based on a net maximum allowable soil bearing pressure of 2,000 to 4,000 psf depending on the location, depth, and building structural loads. These soil bearing pressures would have a safety factor of 3 with regard to ultimate bearing capacity. We recommend a minimum width of 30



ONE-CALL CONTRACTING, INC.

Standard Form Proposal & Agreement

July 29th, 2024

Ron Touchette
7078 East Fish Lake Road
Maple Grove, MN 55311
612-685-0373
Attn: Ron
ron@rocksolidcos.com

Re: Proposal: Soil Correction for Medical on Main Site - Elk River

One-Call Contracting Inc. will provide Labor, Material, and Equipment to complete the following work:

ITEMS

Site Soil Correction

Mobilize equipment to site.

Soil correction for this Medical On Main building foundation, with oversize, will be 2,192 CY to go down to 7' depth.

Provide, Import & Install 1644 tons of select granular sand.

Grade & Compact the entire parking lot a minimum 3' below grade to 98%-100% density.

This scope of work may change due to soil engineer's recommendations.

Total.....\$53,939.00

Notes - This proposal needs to become a rider to any and all contracts.

NOT INCLUDED UNLESS NOTED

- | | |
|---|--|
| 1) De-Watering | 6) Staking / Surveying |
| 2) Any Hazardous Materials/ Buried Debris | 7) Testing |
| 3) Soil Corrections | 8) Erosion Control |
| 4) Winter Conditions | 9) Maintaining Erosion Control |
| 5) Shoring | 10) No Restoration, Sod, Landscape |
| | 11) Freeze Protection / Frost Blankets |

Signature

Date

Shawn Mitchell
Cell 612-221-8598
shawn@onecallcontracting.net
Project Manager - Estimator

3139 162nd Lane NW, Andover, MN 55304 | Phone: 763-780-9197 | Fax: 763-717-4607
Proud To Be Woman Owned, Section 3 and SBE Certified

PURCHASE AND SALE AGREEMENT

1. **PARTIES.** This Purchase And Sale Agreement (this “Agreement”) is made this 21st day of June, 2023 (the “Effective Date”), by and between the Elk River Housing and Redevelopment Authority, a Minnesota body corporate and politic (the “HRA”) and Ronald J. Touchette, a single person (the “Buyer”).
2. **SALE OF PROPERTY.** The HRA agrees to sell to the Buyer and the Buyer agrees to buy from the HRA, the real estate located at the intersection of Main and Gates. in the City of Elk River, Sherburne County, Minnesota, legally described on the attached Exhibit A (the “Property”).
3. **PURCHASE PRICE AND MANNER OF PAYMENT.** The Buyer shall pay the HRA Four Hundred and Fifty Thousand and 00/100 dollars (\$450,000.00) for the Property (the “Purchase Price”). Upon approval and execution of this Agreement by the Buyer and the HRA, the Buyer shall deposit Ten Thousand and 00/100 dollars (\$10,000.00) in earnest money to be held by the Title Company in an escrow account (the “Earnest Money”). Said Earnest Money shall be deducted from the Purchase Price at Closing.
4. **OBLIGATIONS OF THE HRA.** The HRA shall provide the following:
 - 4.1. Representations and Warranties. The representations and warranties of the HRA contained in this Agreement must be true now and on the Closing Date in all material respects as if made on the Closing Date and the HRA shall have delivered to the Buyer on the Closing Date, a certificate dated the Closing Date, signed by an authorized representative of the HRA, certifying that such representations and warranties are true as of the Closing Date in all material respects.
 - 4.2. Title. Title to the Property shall have been found marketable, or been made marketable, in accordance with the requirements and terms of Section 8 below.
 - 4.3. Performance of the HRA’s Obligations. The HRA shall have performed all of the obligations required to be performed by the HRA under this Agreement in all material respects. Included within the obligations of the HRA under this Agreement shall be the following:
 - 4.3.1. The HRA agrees to cooperate with the Buyer as reasonably necessary to permit the Buyer to investigate the Property.
 - 4.3.2. The HRA shall deliver to the Buyer the Title Evidence required in Section 8 within 10 days from the Effective Date of this agreement.
 - 4.3.3. The HRA shall deliver to the Buyer copies of all surveys, plats, civil plans, soils reports, environmental reports (including all investigations performed on the Property in the last five years), and title work relating to the Property which are in the HRA’s possession or control within 10 days from the Effective Date of this Agreement.

5. CONTINGENCIES WHICH MUST BE EXERCISED BY WRITTEN NOTICE TO THE HRA ON OR BEFORE 120 DAYS OF THE EFFECTIVE DATE OF THIS AGREEMENT (THE “CONTINGENCY DATE”):

5.1. Buyer’s Contingencies.

5.1.1. Testing. The Buyer shall have determined that the Buyer is satisfied with the results of, and matters disclosed by, any environmental site assessments (including a Phase I and Phase II if necessary), soil tests, surveys, engineering inspections, hazardous substances and environmental reviews of the Property, all such tests, assessments, inspections and reviews to be obtained at the Buyer’s sole cost and expense.

a. The Buyer shall pay all costs and expenses of such investigation and testing and shall promptly repair and restore any damage to the Property caused by the Buyer’s testing and return the Property to substantially the same condition as existed prior to entry. The Buyer shall indemnify, defend, and hold the HRA harmless from any claim for damage to person or property arising from any investigation or inspection of the Property conducted by the Buyer, the Buyer’s agents or contractors, including attorneys’ fees.

b. Copies of any written reports, studies or test results obtained by the Buyer in connection with the Buyer’s inspection of the Property or investigation relating to the Property shall be delivered to the HRA promptly upon receipt of the same at no cost to the HRA.

5.1.2. Land Use Approvals. The Buyer shall have obtained, at the Buyer’s sole cost and expense, on or before the Contingency Date, all consents, agreements, approvals, easements, licenses and adequate assurances that are legally necessary for the Buyer to use the Property for its intended use or purpose, including, but not limited to, land use and building permit approvals from the City of Elk River.

5.1.3 Financing. The Buyer shall have obtained suitable financing in a form and amount acceptable to the Buyer in its sole discretion.

5.1.4 Development Agreement. The Buyer, HRA and the City of Elk River shall have negotiated, mutually agreed to, and executed, effective not later than the Closing Date, a development agreement related to the Buyer’s development of the Property that is acceptable to the Buyer.

5.2. HRA’s Contingencies.

5.2.1. Determination by the HRA after a holding a public hearing on June 20, 2023, required by Minnesota Statutes Section 469.029, that the sale and

conveyance of the Property to the Buyer are in the best interests of the City of Elk River and its people.

- 5.2.2. Determination by the HRA in its sole discretion that the Buyer has the financial resources available to purchase and develop the Property.

If, on or before the Contingency Date, either party determines that any of their respective contingencies listed in this Section have not been satisfied in their sole discretion, then this Agreement may be terminated by written notice from the party to the other, which notice must give no later than the Contingency Date. If the party does not give written notice of termination on or before the Contingency Date, all of such contingencies will be deemed to have been satisfied and the parties shall proceed to close this transaction in accordance with the terms of this Agreement. All of the contingencies set forth in this Agreement are specifically stated and agreed to be for the sole and exclusive benefit of the respective party and each party shall have the right to unilaterally waive any of its contingencies by written notice to the other party. If this Agreement is terminated by either party in accordance with this Section, the HRA shall return the Earnest Money to the Buyer and neither party shall have any further rights or obligations regarding this Agreement or the Property.

The Buyer may extend the Contingency Date by an additional 60 days by notifying the HRA in writing and depositing into an escrow account held by the Title Company an additional \$5,000 in Earnest Money prior to the expiration of the original Contingency Date. The additional Earnest Money shall be applied to the Purchase Price at Closing.

6. CLOSING. The closing of the purchase and sale contemplated by this Agreement (the "Closing") shall occur within 30 days of the Contingency Date or its extension if such an extension is requested by the Buyer or such other date on which the parties may agree (the "Closing Date"). The HRA agrees to deliver possession of the Property to the Buyer on the Closing Date.

- 6.1. HRA's Closing Documents. On the Closing Date, the HRA shall execute and deliver to the Buyer the following closing documents, all in form and content reasonably satisfactory to the HRA and the Buyer:

6.1.1. Deed. A quit claim deed conveying the Property to the Buyer. Said quit claim deed shall contain a covenant running with the Property that the building on the Property must be constructed and completed within one year from the date of the deed or the Property will automatically revert back to the HRA. The building on the Property must be an office building that is at least 6,000 square feet.

6.1.2. Seller's Affidavit. A Seller's Affidavit executed by the HRA stating that on the Closing Date there are no outstanding, unsatisfied judgments, tax liens or bankruptcies against or involving the HRA or the Property; that there has been no skill, labor, or materials furnished to the Property for which payment has not been made or for which mechanics' liens could be filed; and that there are no other unrecorded instruments affecting the Property,

together with whatever additional information which may be required by the Title Company to issue an Owner's Policy of Title Insurance with the standard exceptions waived.

- 6.1.3. Original Documents. Any original copies of any surveys, plans and records in the HRA's possession that are requested by the Buyer.
- 6.1.4. FIRPTA Affidavit. A non-foreign affidavit, properly executed, containing such information as is required by the Internal Revenue Code Section 1445(b)(2) and its regulations.
- 6.1.5. Other Documents. Any other documents reasonably required in order to complete the transaction contemplated by this Agreement.
- 6.2. Buyer's Closing Documents. On the Closing Date, the Buyer shall execute, as appropriate, and deliver to the HRA the following closing documents:
 - 6.2.1. Purchase Price. The Purchase Price in good funds (certified or cashier's check or wire transfer).
 - 6.2.2. Other Documents. Such affidavits of Purchaser, Certificates of Value or other documents as may be reasonably required in order to complete the transaction contemplated by this Agreement.

7. PRORATIONS. The HRA and the Buyer agree to the following prorations and allocation of costs regarding this Agreement:

- 7.1. Title Insurance and Closing Fees. The HRA shall pay the cost of the title insurance commitment, including any associated title examination and search charges. The Buyer shall pay the cost of any title insurance or endorsement premiums. The parties shall split any closing fee charged by the Title Company.
- 7.2. Real Estate Taxes and Special Assessments. The HRA shall pay the state deed tax. The HRA shall also pay, on or before the Closing Date, all levied special assessments, constituting a lien against the Property as of the effective date, including, without limitation, any installments of special assessments that are payable with general real estate taxes in the year in which Closing occurs. Any general real estate taxes payable in all years prior to the year in which the Closing occurs shall be paid by the HRA. Any general real estate taxes payable in the year in which Closing occurs shall be prorated between the Buyer and the HRA as of the date of Closing.
- 7.3. Recording Costs. The HRA shall pay the cost of recording all documents necessary to vest marketable title in the HRA and cure Objections, if any. The Buyer shall pay the cost of recording all other documents, including, but not limited to, the quit claim

deed.

- 7.4. Attorneys' Fees. Each of the parties shall pay its own attorneys' fees.
- 7.5. Brokers' Fees. The Buyer is represented by Rock Solid Companies (the "Buyer's Broker"). Brokerage fees of three percent of the Purchase Price shall be paid to the Buyer's Broker by the HRA at Closing. The Buyer confirms that no other brokers are representing it in this transaction. The HRA represents that it is not represented by a broker in this transaction.

8. TITLE EXAMINATION. Title examination shall be conducted as follows:

- 8.1. HRA's Title Evidence. Within 30 days of the Effective Date, the HRA shall furnish the following (collectively, "Title Evidence") to the Buyer:
 - 8.1.1. Title Commitment. A title insurance commitment for the Property. The Buyer shall be responsible for selecting the title insurance company. The Buyer selects West Title (the "Title Company").
 - 8.1.2. Survey. A copy of any existing land survey of the Property in the HRA's possession or control. The Buyer, at the Buyer's option, also may obtain, at the Buyer's expense, a new survey of the Property. Any new survey shall be certified and delivered to the HRA as well as the Buyer and any other parties that the Buyer may designate.
- 8.2. Buyer's Objections. No later than 30 days after receiving the updated Title Commitment, the Buyer must make written objections ("Objections") to the marketability of title to the Property based on the Title Commitment. If the Buyer elects to obtain a new survey, Objections based upon the survey must be made within 30 days after receipt of said survey but in no event later than the Contingency Date. The Buyer's failure to make Objections within such time period will constitute a waiver of Objections. If not sooner satisfied, the HRA shall cause the Property to be released from any mortgages or other liens against the Property at the closing. Any matter shown on such Title Evidence, other than a mortgage or other lien and not objected to by the Buyer shall be a "Permitted Encumbrance" hereunder. Within seven days after receipt of the Buyer's Objections, the HRA shall notify the Buyer in writing if the HRA elects not to cure the Objections. If such notice is given within said seven-day period, the Buyer may either waive the Objections or terminate this Agreement by giving written notice of termination to the HRA within 10 days after the HRA's notice is given to the Buyer. If written notice by the HRA is not given within the 10-day period, the HRA shall use commercially reasonable efforts to correct any Objections within 30 days after the expiration of the 10-day period ("Cure Period"). If the Title Company is willing to issue a title insurance policy to the Buyer that does not except from title insurance coverage an item the Buyer has objected to, the objection relating to such item shall be deemed cured. If the Objections are not cured within the Cure Period, the Buyer shall have the option to

do any of the following:

8.2.1. Terminate this Agreement by giving written notice to the HRA within 10 days after the expiration of the Cure Period and neither the HRA nor the Buyer shall have further rights or obligations hereunder. In such event the HRA shall return all Earnest Money to the Buyer.

8.2.2. Waive the Objections and proceed to close without reduction in the Purchase Price.

The Buyer shall make the election within 10 days after expiration of the HRA's Cure Period. A failure to make an election within such period shall be deemed an election to proceed to close pursuant to Subsection 8.2.2.

9. REPRESENTATIONS AND WARRANTIES BY THE HRA. The HRA represents and warrants to the Buyer that the following are true in all material respects now and, as modified by any changes about which the HRA notifies the Buyer in writing following after the date hereof, will be true in all material respects on the Closing Date:

- 9.1. Authority. The HRA is a public body corporate and politic, duly created under and subject to the laws of the State of Minnesota; the HRA has the requisite power and authority to enter into and perform this Agreement and those HRA Closing Documents signed by it; such documents have been or will be duly authorized by all necessary action on the part of the HRA and have been or will be duly executed and delivered; such execution, delivery and performance by the HRA of such documents does not conflict with or result in a violation of any judgment, order, or decree of any court or arbiter to which the HRA is a party; such documents are valid and binding obligations of the HRA, and are enforceable in accordance with their terms, subject to bankruptcy, reorganization, insolvency, moratorium and other laws affecting the rights and remedies of creditors generally and principles of equity.
- 9.2. Utilities. The HRA has received no notice of actual or threatened curtailment of any utility service now supplied to the Property.
- 9.3. Rights of Others to Purchase the Property. The HRA has not entered into any other contracts for the sale of the Property, nor are there any rights of first refusal or options to purchase the Property or any other rights of others that might prevent the sale of the Property contemplated by this Agreement.
- 9.4. Use of the Property. To the best of the HRA's knowledge without investigation, the Property is usable for its current uses without violating any federal, state, local or other governmental building, zoning, health, safety, platting, subdivision or other law, ordinance or regulation, or any applicable private restriction.
- 9.5. Proceedings. There is no action, litigation, investigation, condemnation or proceeding of any kind pending or, to the best of the HRA's knowledge without

investigation, threatened against the HRA with respect to the Property or any portion of the Property.

9.6. Wells. No wells exist on the Property.

9.7. Sewage Treatment Systems. No sewage treatment system exists on the Property.

9.8. Title. The HRA owns fee title to the Property.

The HRA's representations shall be true, accurate and complete as of the date of this Agreement, in all material respects and, as modified by any notices given by the HRA to the Buyer, on the Closing Date in all material respects. If any time prior to Closing, the Buyer shall determine that any representation herein made by the HRA was not true in all material respects when made, the Buyer's sole remedy shall be to terminate this Agreement by giving notice to the HRA and seeking any applicable remedies for breach from the HRA. The Earnest Money shall be returned to the Buyer.

Notwithstanding the above paragraph, all representations and warranties shall terminate on the Closing Date. Any claim by the Buyer not made by written notice delivered to the HRA before the date the representation or warranty terminates shall be deemed waived.

10. "AS IS, WHERE IS." The Buyer acknowledges that the Buyer has inspected or has had the opportunity to inspect the Property and agrees to accept the Property "AS IS" with no right of set off or reduction in the Purchase Price. Such sale shall be without representation of warranties, express or implied, either oral or written, made by the HRA or any official, employee or agent of the HRA with respect to the physical condition of the Property, including but not limited to, the existence or absence of petroleum, hazardous substances, pollutants or contaminants in, on, or under, or affecting the Property or with respect to the compliance of the Property or its operation with any laws, ordinances, or regulations of any government or other body, except as stated above. The Buyer acknowledges and agrees that the HRA has not made and does not make any representations, warranties, or covenants of any kind or character whatsoever, whether expressed or implied, with respect to warranty of income potential, operating expenses, uses, habitability, tenant ability, or suitability for any purpose, merchantability, or fitness of the Property for a particular purpose, all of which warranties HRA hereby expressly disclaims, except as stated above. The Buyer is relying entirely upon information and knowledge obtained from the Buyer's own investigation, experience and knowledge obtained from the Buyer's own investigation, experience, or personal inspection of the Property. The Buyer expressly assumes, at closing, all environmental and other liabilities with respect to the Property and releases and indemnifies the HRA from same, whether such liability is imposed by statute or derived from common law including, but not limited to, liabilities arising under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), the Hazardous and Solid Waste Amendments Act, the Resource Conservation and Recovery Act ("RCRA"), the federal Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substances Act, the Superfund Amendments and Reauthorization Act, the Toxic Substances Control Act and the Hazardous Materials Transportation Act, all as amended, and all other comparable federal, state or local environmental conservation or protection laws, rules or regulations. The foregoing assumption and release shall survive Closing. All

statements of fact or disclosures, if any, made in this Agreement or in connection with this Agreement, do not constitute warranties or representations of any nature. The foregoing provision shall survive Closing and shall not be deemed merged into any instrument of conveyance delivered at Closing.

11. REPRESENTATIONS AND WARRANTIES BY THE BUYER. The Buyer represents and warrants to the HRA that the Buyer is a Minnesota corporation; that the Buyer has the requisite capacity, power and authority to enter into this Agreement and the Buyer's Closing Documents; such execution, delivery and performance by the Buyer of such documents does not conflict with or result in a violation of any judgment, order or decree of any court or arbiter to which the Buyer is a party; such documents are valid and binding obligations of the Buyer, and are enforceable in accordance with their terms.

12. CONDEMNATION. If, prior to the Closing, eminent domain proceedings are commenced against all or any material part of the Property, the HRA shall immediately give notice to the Buyer of such fact and at the Buyer's option (to be exercised within 15 days after the HRA's notice), this Agreement shall terminate, in which event neither party will have further obligations under this Agreement. The Earnest Money paid by the Buyer shall be returned to the Buyer. If the Buyer fails to give such notice, then there shall be no reduction in the Purchase Price, and the HRA shall assign to the Buyer at the Closing all of HRA's right, title and interest in and to any award made or to be made in the condemnation proceedings. Prior to the Closing, the HRA shall not designate counsel, appear in, or otherwise act with respect to the condemnation proceedings without the Buyer's prior written consent. For purposes of this Section, the words "a material part" means a part of the Property if acquired by a condemning authority, it would materially hinder the Buyer's operations on the Property.

13. COMMISSIONS. With the exception of the Buyer's Broker, both the Buyer and the HRA represent that they have not entered into a contract with any other real estate broker, whereby the broker is entitled to a commission resulting from the transaction contemplated by this Agreement. Each party agrees to indemnify, defend, and hold harmless the other party against any claim made by a real estate broker for a commission or fee based on alleged acts or agreements with the indemnifying party.

14. REMEDIES.

- 14.1. Buyer's Remedies. If the HRA fails to consummate this Agreement for any reason except the Buyer's default or the termination of this Agreement pursuant to a right to terminate given herein, the Buyer, as its sole and exclusive remedy, may terminate this Agreement by giving 30 days' written notice to the HRA, pursuant to Minnesota Statutes Section 559.21, as amended from time to time, in which event the Earnest Money shall be promptly released to the Buyer and upon such release, neither party shall be further obligated to the other (except for the Buyer's and the HRA's indemnities set forth in this Agreement). The Buyer specifically waives any right to make a claim against the HRA for compensatory or consequential damages or any other type of monetary claim, except for the indemnity obligations set forth in this Agreement.

14.2. HRA's Remedy. If the Buyer fails to consummate this Agreement for any reason except the HRA's default or the termination of this Agreement pursuant to a right to terminate given herein, the HRA's sole and exclusive remedy shall be to terminate this Agreement by giving 30 days' written notice to the Buyer, pursuant to Minnesota Statutes Section 559.21, as amended from time to time, in which case, the Earnest Money shall be retained by the HRA.

14.3. Indemnification Remedy. Notwithstanding the foregoing provisions of this Section 14, in the event of any default by the Buyer or the HRA under or in connection with any indemnification pursuant to this Agreement, and in the event of any failure by the defaulting party to cure such default within 30 days after the date of notice of default by the non-defaulting party to the defaulting party, the non-defaulting party shall be entitled to seek and recover all legal and equitable relief available under applicable law, including, without limitation, monetary damages.

15. ASSIGNMENT. The Buyer may not assign the Buyer's rights under this Agreement, without prior written consent of the HRA, which shall not be unreasonably withheld.

16. SURVIVAL. All of the terms of this Agreement and warranties and representations herein contained shall survive and be enforceable after the Closing.

17. NOTICES. Any notice required or permitted hereunder shall be given by personal delivery upon an authorized representative of a party hereto; or if mailed by United States mail postage prepaid; or if transmitted by facsimile copy followed by mailed notice; or if deposited cost paid with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to the Seller: Elk River Housing and Redevelopment Authority
 Attn: Executive Director
 13065 Orono Parkway
 Elk River, MN 55330

With copy to: Sarah J. Sonsalla
 Kennedy & Graven, Chartered
 Fifth Street Towers, Suite 700
 Minneapolis, MN 55402

If to the Buyer: Ronald J. Touchette
 7078 East Fish Lake Road
 Maple Grove, MN 55311

With copy to: Rock Solid Companies
 7078 East Fish Lake Road
 Maple Grove, MN 55311

Notices shall be deemed effective on the earlier of the date of receipt or the date of deposit, as aforesaid; provided, however, that if notice is given by deposit, the time for response to any notice by the other party shall commence to run one business day after any such deposit. Any party may

change its address for the service of notice by giving notice of such change 10 days prior to the effective date of such change.

18. CAPTIONS. The paragraph headings or 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.

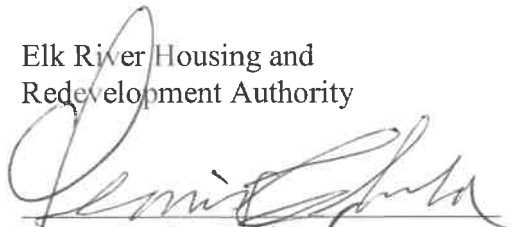
19. ENTIRE AGREEMENT, MODIFICATIONS. This written Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the Property. There are no verbal agreements that change this Agreement and no waiver of any of its terms will be effective unless in a writing executed by the parties.

20. BINDING EFFECT. This Agreement binds and benefits the parties and their successors and assigns.

21. CONTROLLING LAW. This Agreement has been made under the substantive laws of the State of Minnesota, and such laws shall control its interpretation.

SELLER:

Elk River Housing and
Redevelopment Authority


Denny Chuba, President

Brent O'Neil, Executive Director

BUYER:

Ronald J. Touchette


Ronald J. Touchette

EXHIBIT A

Legal Description of the Property

Parcels:

Lot 1, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof, Sherburne County, Minnesota.
PID 75-401-0105

AND;

Lot 3 & Lot 4 except the East 15 feet, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof, Sherburne County, Minnesota.
PID 75-401-0115

AND;

Lot 7, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof, Sherburne County, Minnesota.
PID 75-401-0130

AND;

Lot 8, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof, Sherburne County, Minnesota.
PID 75-401-0135

AND;

Lot 9, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof, Sherburne County, Minnesota.
PID 75-401-0140

AND;

Lot 10, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof, Sherburne County, Minnesota.
PID 75-401-0145

AND;

LOT 11 & that part of Lot 12 lying West of the East 4.50 feet of Lot 12, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof, Sherburne County, Minnesota.
PID 75-401-0150

* All legal descriptions are subject to verification by a survey.

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

This First Amendment to Purchase and Sale Agreement (this "First Amendment") is made this 14th day of March, 2024 by and between the Elk River Housing and Redevelopment Authority, a Minnesota body corporate and politic (the "HRA") and Ronald J. Touchette, a married person (the "Buyer").

WHEREAS, the HRA and the Buyer entered into that certain Purchase and Sale Agreement dated June 21st, 2023 (the "Agreement") providing for the conveyance by the HRA to the Buyer of certain property located in the City of Elk River, Sherburne County, Minnesota and legally described on the attached Exhibit A (the "Property"); and

WHEREAS, due to unanticipated delays, the parties have determined to further extend the Closing Date set forth in the Agreement to June 28, 2024 or such other date on which the Seller and Purchaser may agree; and

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

1. Amendment to Paragraph 5 of the Agreement. The first paragraph of Paragraph 5 of the Agreement is amended to read as follows:

5. CONTINGENCIES WHICH MUST BE EXERCISED BY WRITTEN NOTICE TO THE HRA ON OR BEFORE MAY 31, 2024 (THE "CONTINGENCY DATE"):

2. Amendment to Paragraph 5.1.1 of the Agreement. Paragraph 5.1.1 of the Agreement is amended to read as follows:

5.1.1. Testing. The Buyer shall have determined that the Buyer is satisfied with the results of, and matters disclosed by, any environmental site assessments (including a Phase I and Phase II, if necessary), soil tests, surveys, engineering inspections, site work estimates, building estimates, hazardous substances, and environmental reviews of the Property, all such tests, assessments, inspections, estimates, and reviews to be obtained at the Buyer's sole cost and expense.

3. Amendment to Paragraph 5.2 of the Agreement. The last paragraph of Paragraph 5.2 regarding extension of the contingency date is hereby deleted in its entirety.

4. Amendment to Paragraph 6 of the Agreement. The first paragraph of Paragraph 6 of the Agreement is amended to read as follows:

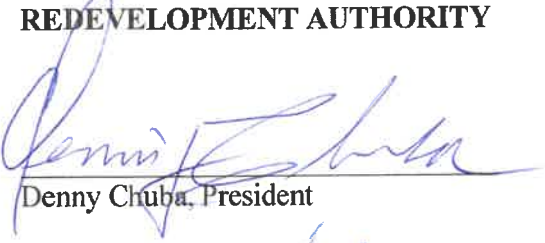
6. CLOSING. The closing of the purchase and sale contemplated by this Agreement (the "Closing") shall occur on June 28, 2024 or on such other date on which the parties may agree (the "Closing Date"). The HRA agrees to deliver possession of the Property to the Buyer on the Closing Date.

5. Miscellaneous. Except as amended by this Amendment, the Agreement shall remain in full force and effect.

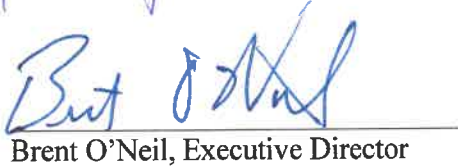
IN WITNESS WHEREOF, the parties have executed this First Amendment to Purchase and Sale Agreement as of the date written above.

SELLER:

**ELK RIVER HOUSING AND
REDEVELOPMENT AUTHORITY**



Denny Chuba, President



Brent O'Neil, Executive Director

BUYER:

RONALD J. TOUCHETTE



Ronald J. Touchette

EXHIBIT A

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Sherburne County, Minnesota.
PID 75-401-0105

AND;

Lot 3 & Lot 4 except the East 15 feet, Block 1, Auditors Subdivision No 5, according to
the recorded plat thereof, Sherburne County, Minnesota.
PID 75-401-0115

AND;

Lot 7, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0130

AND;

Lot 8, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0135

AND;

Lot 9, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0140

AND;

Lot 10, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0145

AND;

LOT 11 & that part of Lot 12 lying West of the East 4.50 feet of Lot 12, Block 1,
Auditors Subdivision No 5, according to the recorded plat thereof, Sherburne County,
Minnesota.
PID 75-401-0150

* All legal descriptions are subject to verification by a survey.

SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT

This Second Amendment to Purchase and Sale Agreement (this “Second Amendment”) is made this 3rd day of June, 2024 by and between the Elk River Housing and Redevelopment Authority, a Minnesota body corporate and politic (the “HRA”) and Ronald J. Touchette, a married person (the “Buyer”).

WHEREAS, the HRA and the Buyer entered into that certain Purchase and Sale Agreement dated June 21st, 2023 (the “Agreement”) providing for the conveyance by the HRA to the Buyer of certain property located in the City of Elk River, Sherburne County, Minnesota and legally described on the attached Exhibit A (the “Property”); and

WHEREAS, due to unanticipated delays, the parties have determined to further extend the Closing Date set forth in the Agreement to August 7, 2024 or such other date on which the Seller and Purchaser may agree; and

WHEREAS, in an event wherein the Seller does not agree to the amendments contained in items 1 and 2 below of this Second Amendment then the Purchase Agreement shall be immediately cancelled and have no further force and effect as of July 3, 2024 and all Earnest Money shall be returned to the Buyer.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

1. Amendment to Paragraph 5 of the Agreement. The first paragraph of Paragraph 5 of the Agreement is amended to read as follows:

5. CONTINGENCIES WHICH MUST BE EXERCISED BY WRITTEN NOTICE TO THE HRA ON OR BEFORE JUNE 28, 2024 (THE “CONTINGENCY DATE”):

2. Amendment to Paragraph 6 of the Agreement. The first paragraph of Paragraph 6 of the Agreement is amended to read as follows:

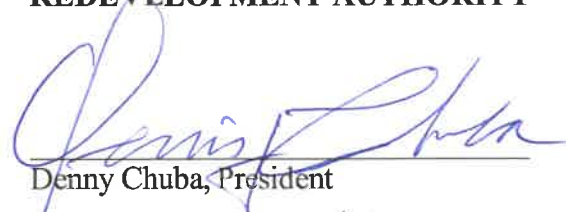
6. CLOSING. The closing of the purchase and sale contemplated by this Agreement (the “Closing”) shall occur on July 31, 2024 or on such other date on which the parties may agree (the “Closing Date”). The HRA agrees to deliver possession of the Property to the Buyer on the Closing Date

3. Miscellaneous. Except as amended by this Amendment, the Agreement shall remain in full force and effect.

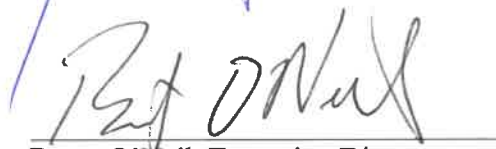
IN WITNESS WHEREOF, the parties have executed this Second Amendment to Purchase and Sale Agreement as of the date written above.

SELLER:

**ELK RIVER HOUSING AND
REDEVELOPMENT AUTHORITY**



Denny Chuba, President



Brent O'Neil, Executive Director

BUYER:

RONALD J. TOUCHETTE



Ronald J. Touchette

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AND;

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PID 75-401-0115

AND;

Lot 7, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0130

AND;

Lot 8, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
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PID 75-401-0135

AND;

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PID 75-401-0140

AND;

Lot 10, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
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AND;

LOT 11 & that part of Lot 12 lying West of the East 4.50 feet of Lot 12, Block 1,
Auditors Subdivision No 5, according to the recorded plat thereof, Sherburne County,
Minnesota.
PID 75-401-0150

* All legal descriptions are subject to verification by a survey.

THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT

This Third Amendment to Purchase and Sale Agreement (this "Third Amendment") is made this 1st day of July, 2024 by and between the Elk River Housing and Redevelopment Authority, a Minnesota body corporate and politic (the "HRA") and Ronald J. Touchette, a married person (the "Buyer").

WHEREAS, the HRA and the Buyer entered into that certain Purchase and Sale Agreement dated June 21st, 2023, as amended by that certain First Amendment to Purchase and Sale Agreement dated March 14, 2024, and as further amended by that certain Second Amendment to Purchase and Sale Agreement dated June 3rd, 2024 (as amended, the "Agreement") providing for the conveyance by the HRA to the Buyer of certain property located in the City of Elk River, Sherburne County, Minnesota and legally described on the attached Exhibit A (the "Property"); and

WHEREAS, HRA and Buyer desire to further amend the Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

1. Amendment to Paragraph 5 of the Agreement. The first paragraph of Paragraph 5 of the Agreement is amended to read as follows:

5. CONTINGENCIES WHICH MUST BE EXERCISED BY WRITTEN NOTICE TO THE HRA ON OR BEFORE SEPTEMBER 27, 2024 (THE "CONTINGENCY DATE").
2. Amendment to Paragraph 6 of the Agreement. Paragraph 6 of the Agreement is amended to read as follows:
 6. CLOSING. The closing of the purchase and sale contemplated by this Agreement (the "Closing Date") shall occur on or before October 28, 2024 or such other date on which the parties may agree (the "Closing Date"). The HRA agrees to deliver possession of the Property to the Buyer on the Closing Date.
3. Amendment to Paragraph 8.2 of the Agreement. Paragraph 8.2 of the Agreement is amended to read as follows:
 - 8.2 Buyer's Objections. No later than the Contingency Date, the Buyer must make written objections ("Objections") to the marketability of title to the Property based on the Title Commitment. If the Buyer elects to obtain a new survey, Objections based upon the survey must be made within 30 days after receipt of said survey but in no event later than the Contingency Date. The Buyer's failure to make Objections within such time period will constitute a waiver of Objections. If not sooner satisfied, the HRA shall cause the Property to be released from any mortgages or other liens against the

Property at the closing. Any matter shown on such Title Evidence, other than a mortgage or other lien and not objected to by the Buyer shall be a "Permitted Encumbrance" hereunder. Within seven days after receipt of the Buyer's Objections, the HRA shall notify the Buyer in writing if the HRA elects not to cure the Objections. If such notice is given within said seven-day period, the Buyer may either waive the Objections or terminate this Agreement by giving written notice of termination to the HRA within 10 days after the HRA's notice is given to the Buyer. If written notice by the HRA is not given within the 10-day period, the HRA shall use commercially reasonable efforts to correct any Objections within 30 days after the expiration of the 10-day period ("Cure Period"). If the Title Company is willing to issue a title insurance policy to the Buyer that does not except from title insurance coverage an item the Buyer has objected to, the objection relating to such item shall be deemed cured. If the Objections are not cured within the Cure Period, the Buyer shall have the option to do any of the following:

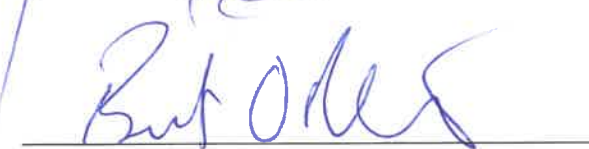
4. Amendment to Paragraph 11 of the Agreement. Paragraph 11 of the Agreement is amended to read as follows:
 11. REPRESENTATIONS AND WARRANTIES BY THE BUYER. The Buyer represents and warrants to the HRA that the Buyer has the requisite capacity, power and authority to enter into this Agreement and the Buyer's Closing Documents; such execution, delivery and performance by the Buyer of such documents does not conflict with or result in a violation of any judgment, order or decree of any court or arbiter to which the Buyer is a party; such documents are valid and binding obligations of the Buyer, and are enforceable in accordance with their terms.
5. Amendment to Paragraph 15 of the Agreement. Paragraph 15 of the Agreement is amended to read as follows:
 15. ASSIGNMENT. The Buyer may not assign the Buyers rights under this Agreement, without the prior written consent of the HRA, which shall not be unreasonably withheld. Notwithstanding the foregoing, Buyer may assign the Buyer's rights under this Agreement without prior written consent of the HRA to Medical on Main LLC.
6. Miscellaneous. Except as amended by this Amendment, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Third Amendment to Purchase and Sale Agreement as of the date written above.

SELLER:

**ELK RIVER HOUSING AND
REDEVELOPMENT AUTHORITY**



Denny Chuba, President

Brent O'Neil, Executive Director

BUYER:

RONALD J. TOUCHETTE



Ronald J. Touchette

EXHIBIT A

Legal Description of the Property

Parcels:

Lot 1, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0105

AND;

Lot 3 & Lot 4 except the East 15 feet, Block 1, Auditors Subdivision No 5, according to
the recorded plat thereof, Sherburne County, Minnesota.
PID 75-401-0115

AND;

Lot 7, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0130

AND;

Lot 8, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0135

AND;

Lot 9, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0140

AND;

Lot 10, Block 1, Auditors Subdivision No 5, according to the recorded plat thereof,
Sherburne County, Minnesota.
PID 75-401-0145

AND;

LOT 11 & that part of Lot 12 lying West of the East 4.50 feet of Lot 12, Block 1,
Auditors Subdivision No 5, according to the recorded plat thereof, Sherburne County,
Minnesota.
PID 75-401-0150

* All legal descriptions are subject to verification by a survey.