

Pursuant to due call and notice thereof, a North Mankato Port Authority Commission meeting was held in the Council Chambers of the Municipal Building on Monday, February 20, 2024.

Treasurer Carlson called the meeting to order at 5:30 p.m. The following were present: Commissioners Oachs, Farforth, Peterson, Whitlock, Carlson, Steiner, Executive Vice President McCann, Assistant Treasurer Ryan, and Secretary Van Genderen.

#### Approval of the Minutes

Commissioner Whitlock moved, seconded by Commissioner Oachs, to approve the minutes of the Port Authority meeting of December 18, 2023. Vote on the motion: Oachs, Farforth, Peterson, Whitlock, Carlson, and Steiner, aye, no nays. Motion carried.

#### Approval of Bills

Commissioner Steiner moved, seconded by Commissioner Oachs, to Approve the bills. Vote on the motion: Oachs, Farforth, Peterson, Whitlock, Carlson, and Steiner, aye, no nays. Motion carried.

#### Other Business

Assistant Treasurer Ryan reported the progress on the delinquent COVID-19 Loans. Southern Minnesota Martial Arts has contacted the City and has begun repaying the loan. Blue Sky Mercantile has responded by saying the business is no longer existing, so there are no assets with which to pay the loan. The owner did sign a personal guarantee, so the staff is asking if the Port would like to file a judgment against the property. When/if the property is sold, the loan will be paid with the proceeds. Assistant Treasurer Ryan stated Attorney Kennedy suggested filing a judgment and not attempting to go after wages or other forms of repayment. Port Authority Commissioners directed staff to proceed with a judgment against the property.

#### Open Meeting to the Public

None

There being no further business, Commissioner Oachs moved, seconded by Commissioner Steiner, to adjourn to Closed Session under State Statute 13D.05 subd. 3C (3) to Consider PIN # 01-103-0615, 01.103.01105 and 01.104.0800. Vote on the motion: all ayes. Motion carried. The meeting was adjourned to closed session at 5:35 pm.

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President

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Secretary



City of North Mankato, MN

Port Authority Claims  
By Fund  
Payment Dates 2/23/2024 - 6/17/2024

Vendor Part Number	Vendor Name	Payment Date	Amount
Fund: 228 - PORT AUTHORITY			
	KENNEDY & KENNEDY LAW OFF	03/20/2024	122.50
	BOLTON & MENK, INC.	04/03/2024	280.00
	KENNEDY & KENNEDY LAW OFF	05/08/2024	140.00
	ABDO FINANCIAL SOLUTIONS	05/20/2024	2,900.00
	LEAGUE OF MINNESOTA CITIES	05/20/2024	139.00
	FREDRIKSON & BYRON, P.A.	04/19/2024	62.00
Fund 228 - PORT AUTHORITY Total:			3,643.50
Fund: 234 - LOCAL REVOLVING LOAN FUND			
	TYLER PAYMENTS	03/04/2024	11.21
	TYLER PAYMENTS	06/03/2024	11.21
Fund 234 - LOCAL REVOLVING LOAN FUND Total:			22.42
Fund: 240 - JOINT ECONOMIC DEVELOPMENT			
	BOLTON & MENK, INC.	03/06/2024	179.50
	BOLTON & MENK, INC.	04/26/2024	80.00
	NICOLLET COUNTY	05/06/2024	1,552.00
	NICOLLET COUNTY	05/06/2024	1,246.00
	NICOLLET COUNTY	05/06/2024	4,250.00
	NICOLLET COUNTY	05/06/2024	1,653.00
	NICOLLET COUNTY	05/06/2024	4,180.00
Fund 240 - JOINT ECONOMIC DEVELOPMENT Total:			13,140.50
Grand Total:			16,806.42

Authorization Signatures

Port Authority

The above claims list for 6/17/24 is approved by:

SCOTT CARLSON - COMMISSIONER

JAMES WHITLOCK - COMMISSIONER

WILLIAM STEINER - COMMISSIONER

SANDRA OACHS - COMMISSIONER

MATT PETERSON - COMMISSIONER

DUANE OLENIUS - COMMISSIONER

DOUG FAHRFORTH - COMMISSIONER

## MEMORANDUM

TO: Port Authority  
Kevin McCann, City Administrator  
FROM: Mike Fischer, Community Development Director  
DATE: June 10, 2024  
SUBJECT: Land Purchases

In February of 2024, staff presented the Port Authority with multiple options as shown on attached Exhibit A, for potential land purchases to accommodate continued growth of the industrial park. Based on feedback from the Port Authority, staff began land purchase negotiations with landowners for parcels A & B. As a result, attached are 2 purchase agreements between the Port Authority, Burnett Properties LLLP and HH Partnership.

In summary, the terms of the Burnett Properties LLLP agreement (43.8 acres) are for \$35,000 per acre with the Port Authority assuming any deferred assessments (\$571,920) including responsibility for the State Deed Tax and Green Acres Tax in addition to some miscellaneous costs. According to Nicollet County, the market value of the land is \$35,000 per acre. For the HH Partnership agreement (17 acres), the terms are for \$39,000 per acre with the Port Authority assuming any deferred assessments (\$220,680). According to Nicollet County, the market value of the land is \$35,000 per acre.

Should the Port Authority agree to the terms of the purchase agreements, future development of the land is shown on Exhibit B including the extension of Ringhofer Drive. Staff has been approached about the sale of the 5.9 acre lot and the 6.3 acre lot as shown on Exhibit B. Additionally, the City has interest in constructing a new Public Works Facility in this area.

Regarding the Ringhofer Drive extension, staff would apply for funding to the Minnesota Department of Employment and Economic Development (DEED) through their Business Development Public Infrastructure (BDPI) program which could fund up to half of the cost for the extension. The estimated cost of the extension is \$2,400,000 and the City's request would be for \$1,200,000. The City has successfully used the BDPI program to extend roads and utilities in the industrial park.

At the February Port Authority meeting, staff had indicated that BENCO Electric was willing to pay up to half of the land costs to purchase these properties. After further discussion with BENCO, they will not be participating in any future land purchases based on direction from their current Board of Directors. Therefore, the Port Authority would be responsible for the purchase of both properties.

Based on the land costs, assessments, and estimated construction costs for the Ringhofer Drive extension, it is estimated that the Port Authority would need to market the property at approximately \$75,000 per acre. Currently, land costs are \$65,000 to \$75,000 per acre.



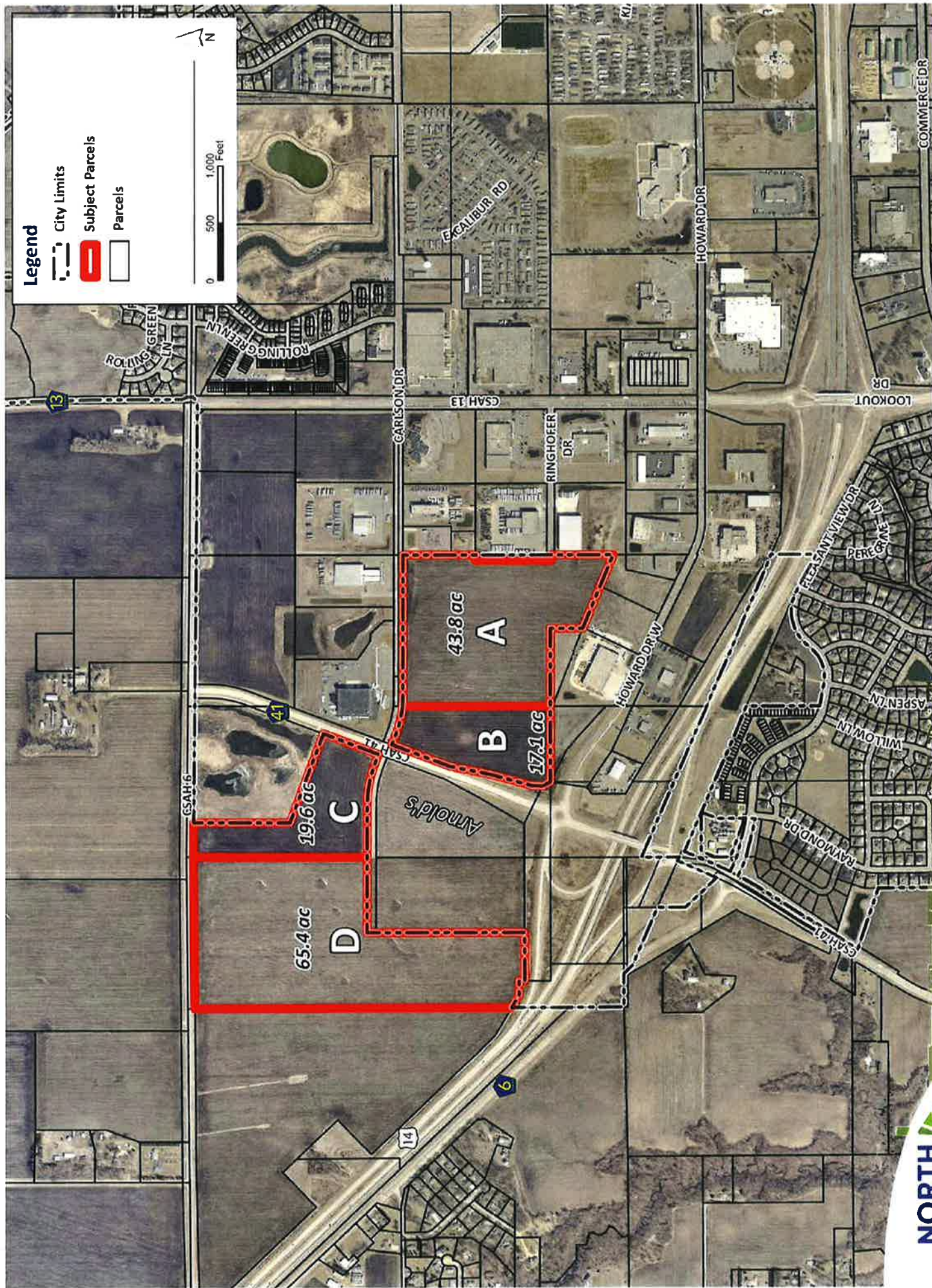


EXHIBIT A: NORTHPORT AREA MAP AND SUBJECT PROPERTIES  
February 2024



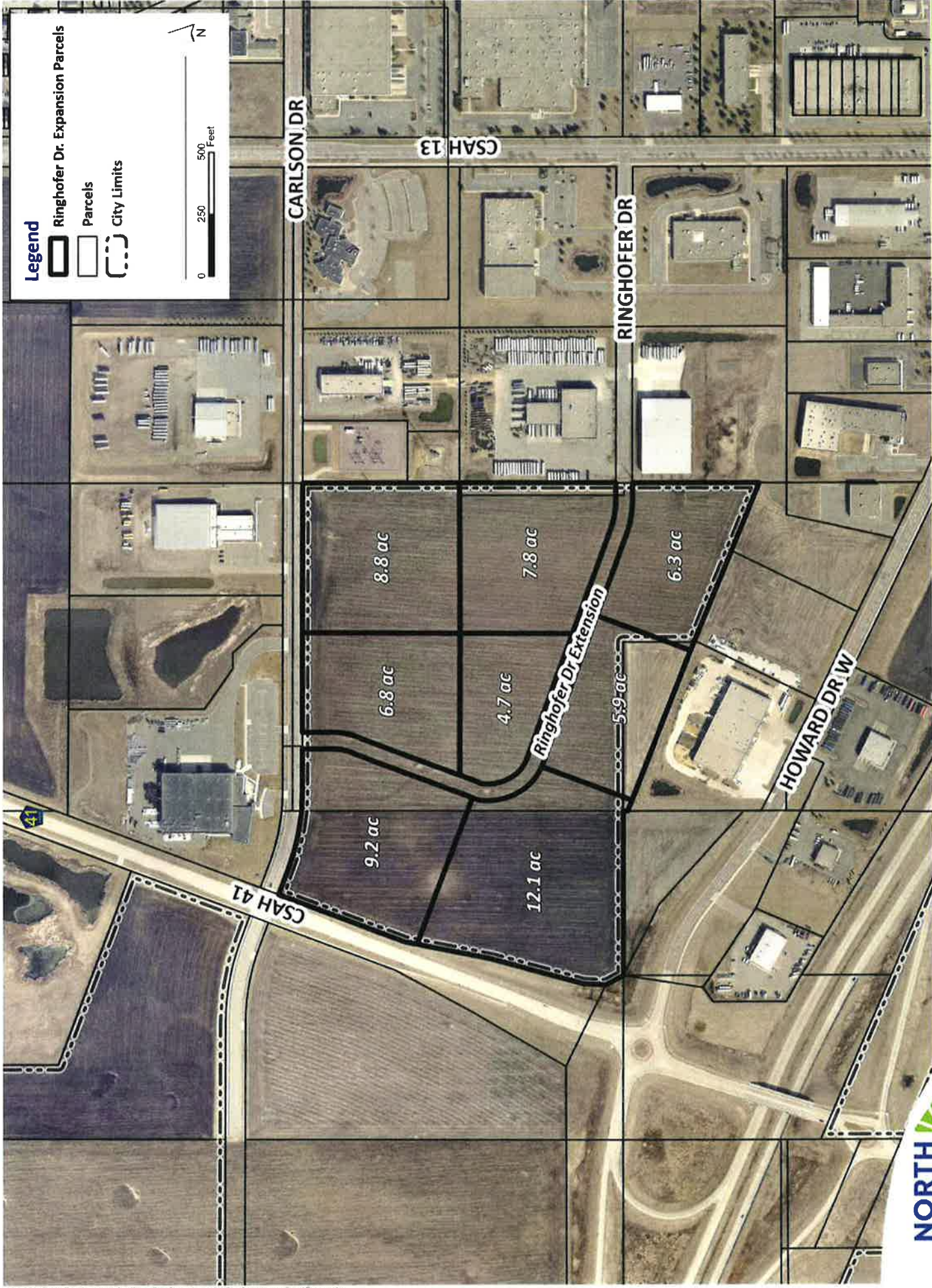


EXHIBIT B: RINGHOFFER EXTENSION CONCEPT  
May 2024

## Port Authority of the City of North Mankato, Minnesota

\$2,295,000 Taxable General Obligation Bonds, Series 2024A

(Preliminary Taxable AA Rates as of 6/12/24)

## Sources & Uses

Dated 08/01/2024 | Delivered 08/01/2024

### Sources Of Funds

Par Amount of Bonds	\$2,295,000.00
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<b>Total Sources</b>	<b>\$2,295,000.00</b>
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### Uses Of Funds

Deposit to Project Construction Fund	2,225,000.00
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Total Underwriter's Discount (1.500%)	34,425.00
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Costs of Issuance	32,600.00
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Rounding Amount	2,975.00
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<b>Total Uses</b>	<b>\$2,295,000.00</b>
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## Port Authority of the City of North Mankato, Minnesota

\$2,295,000 Taxable General Obligation Bonds, Series 2024A

(Preliminary Taxable AA Rates as of 6/12/24)

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
08/01/2024	-	-	-	-	-
08/01/2025	-	-	114,417.50	114,417.50	-
02/01/2026	135,000.00	5.200%	57,208.75	192,208.75	306,626.25
08/01/2026	-	-	53,698.75	53,698.75	-
02/01/2027	195,000.00	5.050%	53,698.75	248,698.75	302,397.50
08/01/2027	-	-	48,775.00	48,775.00	-
02/01/2028	205,000.00	4.950%	48,775.00	253,775.00	302,550.00
08/01/2028	-	-	43,701.25	43,701.25	-
02/01/2029	215,000.00	4.850%	43,701.25	258,701.25	302,402.50
08/01/2029	-	-	38,487.50	38,487.50	-
02/01/2030	225,000.00	4.850%	38,487.50	263,487.50	301,975.00
08/01/2030	-	-	33,031.25	33,031.25	-
02/01/2031	240,000.00	4.900%	33,031.25	273,031.25	306,062.50
08/01/2031	-	-	27,151.25	27,151.25	-
02/01/2032	250,000.00	4.950%	27,151.25	277,151.25	304,302.50
08/01/2032	-	-	20,963.75	20,963.75	-
02/01/2033	265,000.00	5.000%	20,963.75	285,963.75	306,927.50
08/01/2033	-	-	14,338.75	14,338.75	-
02/01/2034	275,000.00	5.050%	14,338.75	289,338.75	303,677.50
08/01/2034	-	-	7,395.00	7,395.00	-
02/01/2035	290,000.00	5.100%	7,395.00	297,395.00	304,790.00
<b>Total</b>	<b>\$2,295,000.00</b>	<b>-</b>	<b>\$746,711.25</b>	<b>\$3,041,711.25</b>	<b>-</b>

#### Yield Statistics

Bond Year Dollars	\$14,957.50
Average Life	6.517 Years
Average Coupon	4.9922196%
Net Interest Cost (NIC)	5.2223717%
True Interest Cost (TIC)	5.2597080%
Bond Yield for Arbitrage Purposes	4.9782936%
All Inclusive Cost (AIC)	5.5316707%

#### IRS Form 8038

Net Interest Cost	4.9922196%
Weighted Average Maturity	6.517 Years



**Port Authority of the City of North Mankato, Minnesota**

**\$2,295,000 Taxable General Obligation Bonds, Series 2024A**

**(Preliminary Taxable AA Rates as of 6/12/24)**

**105% Levy**

<b>Date</b>	<b>Total P+I</b>	<b>105% Levy</b>	<b>Levy Year</b>	<b>Collection Year</b>
02/01/2025	-	-	-	-
02/01/2026	306,626.25	321,957.56	2024	2025
02/01/2027	302,397.50	317,517.38	2025	2026
02/01/2028	302,550.00	317,677.50	2026	2027
02/01/2029	302,402.50	317,522.63	2027	2028
02/01/2030	301,975.00	317,073.75	2028	2029
02/01/2031	306,062.50	321,365.63	2029	2030
02/01/2032	304,302.50	319,517.63	2030	2031
02/01/2033	306,927.50	322,273.88	2031	2032
02/01/2034	303,677.50	318,861.38	2032	2033
02/01/2035	304,790.00	320,029.50	2033	2034
<b>Total</b>	<b>\$3,041,711.25</b>	<b>\$3,193,796.81</b>		

RESOLUTION AUTHORIZING THE PURCHASE OF REAL ESTATE

WHEREAS, the North Mankato Port Authority Commission wishes to acquire certain real estate for development purposes; and

WHEREAS, it is desirable to purchase the property identified by the Nicollet County Land Records as PIN #01.103.0615, from Burnett Properties, LLLP for the purchase price of \$1,533,000.00;

NOW, THEREFORE, BE IT RESOLVED BY THE NORTH MANKATO PORT AUTHORITY COMMISSION that the Executive Vice President is authorized to execute the necessary documents to complete the acquisition of said property for the purchase price of \$1,533,000.00.

Adopted this 17<sup>th</sup> day of June, 2024.

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President

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Secretary

**PURCHASE AGREEMENT:  
LAND (NON-RESIDENTIAL)**

This form approved by the Minnesota Association of REALTORS®,  
which disclaims any liability arising out of use or misuse of this form.  
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1. Page 1 Date April 25th 2024

2. BUYER(S) is/are: North Mankato Port Authority Commission, (Check one.)
3. ☐ individual(s); or ☒ a business entity organized under the laws of the State of Minnesota.
4. SELLER(S) is/are: Burnett Properties Llp, (Check one.)
5. ☐ individual(s); or ☒ a business entity organized under the laws of the State of Minnesota.
6. Buyer's earnest money in the amount of \_\_\_\_\_
7. Ten Thousand Dollars
8. (\$ 10,000.00 ) shall be delivered no later than two (2) Business Days after
9. Final Acceptance Date to be deposited in the trust account of: (Check one.)
10. ☒ listing broker; or
11. ☐ \_\_\_\_\_,  
(Trustee)
12. within three (3) Business Days of receipt of the earnest money or Final Acceptance Date whichever is later.
13. Said earnest money is part payment for the purchase of the property legally described as
14. Section/Township/Range \_\_\_\_\_
15. SE 1/4 NW 1/4 "EX ROW 26 PCL 5E1 & 5N1" "EX .76 a" = 37.97 a; PT of NE 1/4 SW 1/4 lyg N of Northport #19 "EX 3.58 a" = +/- 9 a;
16. Street Address TBD Carlson Drive
17. City of North Mankato, County of Nicollet,
18. State of Minnesota, Zip Code 56003, PID # (s) 01.103.0615
19. \_\_\_\_\_ including all fixtures, if any,
20. ☐ INCLUDING ☒ EXCLUDING all emblements within the Property at the time of this Purchase Agreement, if any,  
(Check one.)
21. (collectively the "Property") and ☐ INCLUDING ☒ EXCLUDING the following personal property, if any, which shall  
(Check one.)
22. be transferred with no additional monetary value, and free and clear of all liens and encumbrances:
23. \_\_\_\_\_
24. \_\_\_\_\_
25. \_\_\_\_\_,
26. all of which Property Seller has this day agreed to sell to Buyer for the sum of (\$ 1,533,000.00 )
27. \_\_\_\_\_
28. One Million Five Hundred Thirty-Three Thousand Dollars,
29. which Buyer agrees to pay in the following manner:
30. **CASH** of \$ 1,533,000.00 or more in Buyer's sole discretion, which includes the earnest
31. money and the balance to be paid at the time of closing.
32. The date of closing shall be July 8th 2024.
33. DUE DILIGENCE: This Purchase Agreement ☐ IS ☒ IS NOT subject to a due diligence contingency. (If answer is  
(Check one.)
34. **IS**, see attached Addendum to Commercial Purchase Agreement: Due Diligence.)

MN:PA:L-1 (8/23)



**PURCHASE AGREEMENT:  
LAND (NON-RESIDENTIAL)**

35. Page 2 Date April 25th 2024

36. Property located at TBD Carlson Drive North Mankato 56003

37. This Purchase Agreement ☐ IS ☒ **IS NOT** subject to cancellation of a previously executed purchase agreement dated \_\_\_\_\_  
(Check one.)

38. \_\_\_\_\_ . (If answer is **IS**, said cancellation shall be obtained no later than

39. \_\_\_\_\_ .

40. If said cancellation is not obtained by said date, this Purchase Agreement is canceled. Buyer and Seller shall  
41. immediately sign a written cancellation of Purchase Agreement confirming said cancellation and directing all earnest  
42. money paid here to be refunded to Buyer.)

43. **OTHER CONTINGENCIES:** This Purchase Agreement is subject to the following contingencies, and if  
44. the checked contingencies specified below, if any, are not satisfied or waived, in writing, by Buyer by

45. \_\_\_\_\_ , this Purchase Agreement is canceled as of said date. Buyer and Seller  
46. shall immediately sign a written cancellation of Purchase Agreement confirming said cancellation and directing all  
47. earnest money paid here to be refunded to Buyer. (Check all that apply.)

48. ☐ **FINANCING CONTINGENCY:** Buyer shall provide Seller, or licensee representing or assisting Seller, with the  
49. Written Statement, on or before the date specified on line 45.

50. For purposes of this Contingency, "Written Statement" means a Written Statement prepared by Buyer's  
51. mortgage originator(s) or lender(s) after the Final Acceptance Date that Buyer is approved for the loan(s) specified  
52. in this Purchase Agreement, including both the first mortgage and any subordinate financing, if any, and stating  
53. that an appraisal, satisfactory to the lender(s) has been completed or the lender(s) has waived the appraisal and  
54. stating conditions required by lender(s) to close the loan.

55. Upon delivery of the Written Statement to Seller, or licensee representing or assisting Seller, the responsibility  
56. for satisfying all conditions, except work orders, required by mortgage originator(s) or lender(s) are deemed  
57. accepted by Buyer. Upon delivery of the Written Statement, if this Purchase Agreement does not close on the  
58. stated closing date for ANY REASON relating to financing, other than Seller's failure to complete work orders to  
59. the extent required by this Purchase Agreement, including but not limited to interest rate and discount points, if  
60. any, Seller may, at Seller's option, declare this Purchase Agreement canceled, in which case this Purchase  
61. Agreement is canceled. If Seller declares this Purchase Agreement canceled, Buyer and Seller shall immediately  
62. sign a written cancellation of Purchase Agreement confirming said cancellation and directing all earnest money  
63. paid here to be forfeited to Seller as liquidated damages. In the alternative, Seller may seek all other remedies  
64. allowed by law.

65. If the Written Statement is not provided by the date specified on line 45, Seller may, at Seller's option, declare  
66. this Purchase Agreement canceled by written notice to Buyer at any time prior to Seller receiving the Written  
67. Statement, in which case this Purchase Agreement is canceled. In the event Seller declares this Purchase  
68. Agreement canceled, Buyer and Seller shall immediately sign a written cancellation of Purchase Agreement  
69. confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.

70. If the Written Statement is not provided, and Seller has not previously canceled this Purchase Agreement, this  
71. Purchase Agreement is canceled as of the closing date specified in this Purchase Agreement. Buyer and Seller  
72. shall immediately sign a written cancellation of Purchase Agreement confirming said cancellation and directing  
73. all earnest money paid here to be refunded to Buyer.

74. ☐ **OTHER CONTINGENCIES:** \_\_\_\_\_

75. \_\_\_\_\_

76. \_\_\_\_\_

77. \_\_\_\_\_

78. \_\_\_\_\_

79. \_\_\_\_\_

80. \_\_\_\_\_

81. Seller's expenses for these contingencies, if any, shall not exceed \$ \_\_\_\_\_.

**PURCHASE AGREEMENT:  
LAND (NON-RESIDENTIAL)**

82. Page 3 Date April 25th 2024

83. Property located at TBD Carlson Drive North Mankato 56003.
84. **DEED/MARKETABLE TITLE:** Upon performance by Buyer, Seller shall deliver a: *(Check one.)*
85. ☒ **WARRANTY DEED** ☐ **PERSONAL REPRESENTATIVE'S DEED** ☐ **CONTRACT FOR DEED**
86. ☐ **TRUSTEE'S DEED** ☐ **OTHER:** \_\_\_\_\_ **DEED** joined in by spouse, if any, conveying
87. marketable title, subject to
88. (a) building and zoning laws, ordinances, state and federal regulations;
89. (b) restrictions relating to use or improvement of the Property without effective forfeiture provisions;
90. (c) reservation of any mineral rights by the State of Minnesota;
91. (d) utility and drainage easements which do not interfere with existing improvements; and
92. (e) others (must be specified in writing): \_\_\_\_\_
93. \_\_\_\_\_
94. **TENANTS/LEASES:** Property ☐ **IS** ☒ **IS NOT** subject to rights of tenants. *(If answer is IS, see attached Addendum*  
*----- (Check one.) -----*
95. *to Commercial Purchase Agreement: Due Diligence.)*
96. Seller shall not execute leases from the Date of this Purchase Agreement to the date of closing, the term of which lease
97. extends beyond the date of closing, without the prior written consent of Buyer. Buyer's consent or denial shall be
98. provided to Seller within \_\_\_\_\_ days of Seller's written request. Said
99. consent shall not be unreasonably withheld.
100. **REAL ESTATE TAXES:** Real estate taxes due and payable in the year of closing shall be prorated between Seller and
101. Buyer on a calendar year basis to the actual date of closing unless otherwise provided in this Purchase Agreement.
102. Real estate taxes, including penalties, interest, and any associated fees, payable in the years prior to closing shall
103. be paid by Seller. Real estate taxes payable in the years subsequent to closing shall be paid by Buyer.
104. **DEFERRED TAXES/SPECIAL ASSESSMENTS:**
105. ☒ **BUYER SHALL PAY** ☐ **SELLER SHALL PAY** on date of closing any deferred real estate taxes  
*----- (Check one.) -----*
106. (e.g. Green Acres) or special assessments, payment of which is required as a result of the closing of this sale.
107. ☒ **BUYER AND SELLER SHALL PRORATE AS OF THE DATE OF CLOSING** ☐ **SELLER SHALL PAY ON**  
*----- (Check one.) -----*
108. **DATE OF CLOSING.** \_\_\_\_\_ the real estate taxes due and
109. payable in the year or closing.
110. ☒ **BUYER SHALL ASSUME** ☐ **SELLER SHALL PAY** on date of closing all other special assessments levied as  
*----- (Check one.) -----*
111. of the Date of this Purchase Agreement.
112. ☒ **BUYER SHALL ASSUME** ☐ **SELLER SHALL PROVIDE FOR PAYMENT OF** special assessments pending as  
*----- (Check one.) -----*
113. of the Date of this Purchase Agreement for improvements that have been ordered by any assessing authorities.
114. (Seller's provision for payment shall be by payment into escrow of two (2) times the estimated amount of the
115. assessments or less, as required by Buyer's lender.)
116. Buyer shall pay any unpaid special assessments payable in the year following closing and thereafter, the payment of
117. which is not otherwise here provided.
118. As of the Date of this Purchase Agreement, Seller represents that Seller ☒ **HAS** ☐ **HAS NOT** received a notice  
*----- (Check one.) -----*
119. regarding any new improvement project from any assessing authorities, the costs of which project may be assessed
120. against the Property. Any such notice received by Seller after the Date of this Purchase Agreement and before
121. closing shall be provided to Buyer immediately. If such notice is issued after the Date of this Purchase Agreement and
122. on or before the date of closing, then the parties may agree in writing, on or before the date of closing, to pay, provide
123. for the payment of, or assume the special assessments. In the absence of such agreement, either party may declare
124. this Purchase Agreement canceled by written notice to the other party, or licensee representing or assisting the other
125. party, in which case this Purchase Agreement is canceled. If either party declares this Purchase Agreement canceled,
126. Buyer and Seller shall immediately sign a written cancellation of Purchase Agreement confirming said cancellation and
127. directing all earnest money paid here to be refunded to Buyer.

**PURCHASE AGREEMENT:  
LAND (NON-RESIDENTIAL)**

128. Page 4    Date April    25th 2024

129. Property located at TBD    Carlson Drive    North Mankato    56003.
130. **POSSESSION:** Seller shall deliver possession of the Property: *(Check one.)*
131. ☐ **IMMEDIATELY AFTER CLOSING;** or
132. ☒ **OTHER:** After 2024 growing season crops are harvested.
133. Seller agrees to remove ALL DEBRIS AND ALL PERSONAL PROPERTY NOT INCLUDED HERE from the Property
134. by possession date.
135. **PRORATIONS:** All interest and rents shall be prorated between the parties as of date of closing, unless otherwise
136. agreed to in writing. Buyer shall pay Seller for remaining gallons of fuel oil or liquid petroleum gas on the day of
137. closing, at the rate of the last fill by Seller.
138. **TITLE AND EXAMINATION:** Within a reasonable time period after Final Acceptance Date, Seller shall provide one of
139. the following title evidence options, at Seller's selection, which shall include proper searches covering bankruptcies,
140. state and federal judgments, and liens, and levied and pending special assessments to Buyer or Buyer's designated
141. title service provider:
142. (a) A commitment for an owner's policy of title insurance on a current ALTA form issued by an insurer licensed to write
143. title insurance in Minnesota as selected by Buyer. Seller shall be responsible for the title search and exam costs
144. related to the commitment. Buyer shall be responsible for all additional costs related to the issuance of the title
145. insurance policy(ies), including but not limited to the premium(s), Buyer's name search, and plat drawing, if
146. any. Seller shall deliver any abstract of title and a copy of any owner's title insurance policy for the Property,
147. if in Seller's possession or control, to Buyer or Buyer's designated title service provider. Any abstract of title or
148. owner's title insurance policy provided shall be immediately returned to Seller, or licensee representing or
149. assisting Seller, upon cancellation of this Purchase Agreement.
150. (b) An abstract of title certified to date if Abstract Property or a Registered Property Abstract ("RPA") certified to date
151. if Registered (Torrens) Property. Seller shall pay for the abstracting or RPA costs and deliver any abstract for
152. this Property in Seller's possession or control to Buyer or Buyer's designated title service provider. Any abstract
153. shall be immediately returned to Seller, or licensee representing or assisting Seller, upon cancellation of this
154. Purchase Agreement. If Property is abstract and Seller does not have an abstract of title, Option (a) will
155. automatically apply.
156. Seller shall use Seller's best efforts to provide marketable title by the date of closing. In the event that Seller has not
157. provided marketable title by the date of closing, Seller shall have an additional thirty (30) days to make title marketable
158. or, in the alternative, Buyer may waive title defects by written notice to Seller. In addition to the thirty (30)-day
159. extension, Buyer and Seller may by mutual agreement further extend the closing date. Lacking such extension,
160. either party may declare this Purchase Agreement canceled by written notice to the other party, or licensee
161. representing or assisting the other party, in which case this Purchase Agreement is canceled. If either party declares
162. this Purchase Agreement canceled, Buyer and Seller shall immediately sign a written cancellation of Purchase
163. Agreement confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.
164. **SUBDIVISION OF LAND, BOUNDARIES, AND ACCESS:** If this sale constitutes or requires a subdivision of land
165. owned by Seller, Seller shall pay all subdivision expenses and obtain all necessary governmental approvals. Seller
166. warrants the legal description of the real Property to be conveyed has been or shall be approved for recording as of
167. the date of closing. Seller warrants that there is a right of access to the Property from a public right of way.
168. **MECHANIC'S LIENS:** Seller warrants that prior to the closing, payment in full will have been made for all labor, materials,
169. machinery, fixtures, or tools furnished within the 120 days immediately preceding the closing in connection with
170. construction, alteration, or repair of any structure on, or improvement to, the Property.
171. **NOTICES:** Seller warrants that Seller has not received any notice from any governmental authority as to condemnation
172. proceedings or violation of any law, ordinance, or regulation. If the Property is subject to restrictive covenants, Seller
173. warrants that Seller has not received any notice from any person or authority as to a breach of the covenants. Any
174. such notices received by Seller shall be provided to Buyer immediately. Discriminatory restrictive covenants (e.g.
175. provisions against conveyance of property to any person of a specified religious faith, creed, national origin, race, or
176. color) are illegal and unenforceable. An owner of real property may permanently remove such restrictive covenants
177. from the title by recording a statutory form in the office of the county recorder of any county where the property is
178. located.



**PURCHASE AGREEMENT:  
LAND (NON-RESIDENTIAL)**

179. Page 5    Date April    25th    2024

180. Property located at TBD    Carlson Drive    North Mankato    56003

181. **DIMENSIONS:** Buyer acknowledges any dimensions or acreage of land or improvements provided by Seller, third  
182. party, or broker representing or assisting Seller are approximate. Buyer shall verify the accuracy of information to  
183. Buyer's satisfaction, if material, at Buyer's sole cost and expense.

184. **ACCESS AGREEMENT:** Seller agrees to allow Buyer reasonable access to the Property for performance of any  
185. surveys, inspections, or tests as agreed to here. Buyer shall restore the premises to the same condition it was in prior  
186. to the surveys, inspections, or tests and pay for any restoration costs.

187. **RISK OF LOSS:** If there is any loss or damage to the Property between Date of this Purchase Agreement and the date  
188. of closing for any reason, including fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on Seller. If  
189. the Property is destroyed or substantially damaged before the closing date, this Purchase Agreement is canceled, at  
190. Buyer's option, by written notice to Seller, or licensee representing or assisting Seller. If Buyer cancels this Purchase  
191. Agreement, Buyer and Seller shall immediately sign a written cancellation of Purchase Agreement confirming said  
192. cancellation and directing all earnest money paid here to be refunded to Buyer.

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

194. **CALCULATION OF DAYS:** Any calculation of days begins on the first day (calendar or Business Days as specified)  
195. following the occurrence of the event specified and includes subsequent days (calendar or Business Days as  
196. specified) ending at 11:59 P.M. on the last day.

197. **BUSINESS DAYS:** "Business Days" are days which are not Saturdays, Sundays, or state or federal holidays unless  
198. stated elsewhere by the parties in writing.

199. **CALENDAR DAYS:** For purposes of this Agreement, any reference to "days" means "calendar days." "Calendar  
200. days" include Saturdays, Sundays, and state and federal holidays.

201. **DEFAULT:** If Buyer defaults in any of the agreements here, Seller may cancel this Purchase Agreement, and any  
202. payments made here, including earnest money, shall be retained by Seller as liquidated damages and Buyer and  
203. Seller shall affirm the same by a written cancellation agreement.

204. If Buyer defaults in any of the agreements here, Seller may terminate this Purchase Agreement under the provisions  
205. of MN Statute 559.21.

206. If this Purchase Agreement is not canceled or terminated as provided here, Buyer or Seller may seek actual damages  
207. for breach of this Purchase Agreement or specific performance of this Purchase Agreement; and, as to specific  
208. performance, such action must be commenced within six (6) months after such right of action arises.

209. **METHAMPHETAMINE PRODUCTION DISCLOSURE:**

210. (A Methamphetamine Production Disclosure is required by MN Statute 152.0275, Subd. 2 (m).)

211. ☒ Seller is not aware of any methamphetamine production that has occurred on the Property.

212. ☐ Seller is aware that methamphetamine production has occurred on the Property.

213. (See Disclosure Statement: Methamphetamine Production.)

214. **NOTICE REGARDING AIRPORT ZONING REGULATIONS:** The Property may be in or near an airport safety zone  
215. with zoning regulations adopted by the governing body that may affect the Property. Such zoning regulations are  
216. filed with the county recorder in each county where the zoned area is located. If you would like to determine if such  
217. zoning regulations affect the Property, you should contact the county recorder where the zoned area is located.

218. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION:** Information regarding the predatory offender  
219. registry and persons registered with the predatory offender registry under MN Statute 243.166 may be  
220. obtained by contacting the local law enforcement offices in the community where the Property is located  
221. or the Minnesota Department of Corrections at (651) 361-7200, or from the Department of Corrections web  
222. site at [www.corr.state.mn.us](http://www.corr.state.mn.us).

223. **SUBJECT TO RIGHTS OF TENANTS, IF ANY, BUYER HAS THE RIGHT TO VIEW THE PROPERTY PRIOR TO**  
224. **CLOSING TO ESTABLISH THAT THE PROPERTY IS IN SUBSTANTIALLY THE SAME CONDITION AS OF THE**  
225. **DATE OF THIS PURCHASE AGREEMENT.**

226. **BUYER IS NOT RELYING ON ANY ORAL REPRESENTATIONS REGARDING THE CONDITION OF THE PROPERTY.**

**PURCHASE AGREEMENT:  
LAND (NON-RESIDENTIAL)**

227. Page 6    Date April    25th    2024

228. Property located at TBD    Carlson Drive    North Mankato    56003
229. **SPECIAL DISCLOSURES:** Seller discloses, to the best of Seller's knowledge, that the Property described in this
230. Purchase Agreement consists of approximately 43.8 acres and is currently zoned
231. Agricultural
- 232.
- 233.
234. Seller discloses, to the best of Seller's knowledge, that the Property ☐ IS ☒ IS NOT in a designated flood zone.  
------(Check one.)-----
235. **PREFERENTIAL TAX TREATMENT:** Seller discloses, to the best of Seller's knowledge, that the Property
236. ☒ DOES ☐ DOES NOT currently receive preferential tax treatment (e.g., Green Acres, Managed Forest Land, Non-  
------(Check one.)-----
237. Profit Status, Rural Preserve, SFIA, etc.).
238. **GOVERNMENT PROGRAMS:** Seller discloses, to the best of Seller's knowledge, that the Property ☐ IS ☒ IS NOT  
------(Check one.)-----
239. enrolled in any federal, state, or local governmental programs (e.g., conservation programs, CREP, CRP, EQIP, Green
240. Acres, Managed Forest Land, RIM, riparian buffers, Rural Preserve, SFIA, WRP/RIM-WRP, etc.).
241. **ENVIRONMENTAL CONCERNS:** To the best of Seller's knowledge there are no hazardous substances or
242. underground storage tanks, except where noted here:
243. \_\_\_\_\_
244. \_\_\_\_\_
245. \_\_\_\_\_

246. **(Check appropriate boxes.)**
247. SELLER WARRANTS THAT THE PROPERTY IS EITHER DIRECTLY OR INDIRECTLY CONNECTED TO:
248. CITY SEWER ☐ YES ☒ NO / CITY WATER ☐ YES ☒ NO
249. **SUBSURFACE SEWAGE TREATMENT SYSTEM**
250. SELLER ☐ DOES ☒ DOES NOT KNOW OF A SUBSURFACE SEWAGE TREATMENT SYSTEM ON OR SERVING  
------(Check one.)-----
251. THE PROPERTY. (If answer is **DOES**, and the system does not require a state permit, see *Subsurface Sewage*
252. *Treatment System Disclosure Statement*.)
253. **PRIVATE WELL**
254. SELLER ☐ DOES ☒ DOES NOT KNOW OF A WELL ON OR SERVING THE PROPERTY. (If answer is **DOES** and well  
------(Check one.)-----
255. is located on the Property, see *Well Disclosure Statement*.)
256. To the best of Seller's knowledge, the Property ☐ IS ☒ IS NOT in a Special Well Construction Area.  
------(Check one.)-----
257. THIS PURCHASE AGREEMENT ☐ IS ☒ IS NOT SUBJECT TO AN ADDENDUM TO PURCHASE AGREEMENT:  
------(Check one.)-----
258. **SUBSURFACE SEWAGE TREATMENT SYSTEM AND WELL INSPECTION CONTINGENCY.**
259. (If answer is **IS**, see attached *Addendum*.)
260. **IF A WELL OR SUBSURFACE SEWAGE TREATMENT SYSTEM EXISTS ON THE PROPERTY, BUYER HAS**
261. **RECEIVED A DISCLOSURE STATEMENT: WELL AND/OR A DISCLOSURE STATEMENT: SUBSURFACE**
262. **SEWAGE TREATMENT SYSTEM.**

263. There ☐ IS ☒ IS NOT a storage tank located on the Property that is subject to the requirements of MN Statute 116.48.  
------(Check one.)-----
264. (If answer is **IS**, see *Commercial Disclosure Statement: Storage Tank(s)*.)

**PURCHASE AGREEMENT:  
LAND (NON-RESIDENTIAL)**

265. Page 7 Date April 25th 2024

266. Property located at TBD Carlson Drive North Mankato 56003

267. **AGENCY NOTICE**  
268. Michael Stenzel is ☐ Seller's Agent ☐ Buyer's Agent ☒ Dual Agent.  
(Licensee) (Check one.)  
269. Landmark Real Estate  
(Real Estate Company Name)  
270. \_\_\_\_\_ is ☐ Seller's Agent ☐ Buyer's Agent ☐ Dual Agent.  
(Licensee) (Check one.)  
271. \_\_\_\_\_  
(Real Estate Company Name)

272. **DUAL AGENCY DISCLOSURE:** Dual agency occurs when one broker or salesperson represents both parties to a  
273. transaction, or when two salespersons licensed to the same broker each represent a party to the transaction. Dual  
274. agency requires the informed consent of all parties, and means that the broker or salesperson owes the same fiduciary  
275. duties to both parties to the transaction. This role limits the level of representation the broker and salespersons can  
276. provide, and prohibits them from acting exclusively for either party. In dual agency, confidential information about price,  
277. terms, and motivation for pursuing a transaction will be kept confidential unless one party instructs the broker or  
278. salesperson in writing to disclose specific information about him or her. Other information will be shared. Dual agents  
279. may not advocate for one party to the detriment of the other.

280. **CONSENT TO DUAL AGENCY**  
281. Broker represents both parties involved in the transaction, which creates a dual agency. This means that Broker and  
282. its salespersons owe fiduciary duties to both parties. Because the parties may have conflicting interests, Broker and its  
283. salespersons are prohibited from advocating exclusively for either party. Broker cannot act as a dual agent in this  
284. transaction without the consent of both parties. Both parties acknowledge that  
285. (1) confidential information communicated to Broker which regards price, terms, or motivation to buy, sell, or lease will  
286. remain confidential unless the parties instruct Broker in writing to disclose this information. Other information will  
287. be shared;  
288. (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and  
289. (3) within the limits of dual agency, Broker and its salesperson will work diligently to facilitate the mechanics of the  
290. sale.  
291. With the knowledge and understanding of the explanation above, the parties authorize and instruct Broker and its  
292. salespersons to act as dual agents in this transaction.

293. <b>SELLER:</b> <u>Burnett Properties Lllp</u> (Business Entity or Individual Name)	<b>BUYER:</b> <u>North Mankato Port Authority Commission</u> (Business Entity or Individual Name)
294. By: <u>Kary Misch</u> (Seller's Signature)	By: _____ (Buyer's Signature)
295. <u>Burnett Properties Lllp</u> (Seller's Printed Name)	<u>North Mankato Port Authority Commission</u> (Buyer's Printed Name)
296. Its: <u>Trustee</u> (Title)	Its: _____ (Title)
297. _____ (Date)	_____ (Date)
298. <b>SELLER:</b> _____ (Business Entity or Individual Name)	<b>BUYER:</b> _____ (Business Entity or Individual Name)
299. By: _____ (Seller's Signature)	By: _____ (Buyer's Signature)
300. _____ (Seller's Printed Name)	_____ (Buyer's Printed Name)
301. Its: _____ (Title)	Its: _____ (Title)
302. _____ (Date)	_____ (Date)



**PURCHASE AGREEMENT:  
LAND (NON-RESIDENTIAL)**

303. Page 8    Date April    25th    2024

304. Property located at TBD    Carlson Drive    North Mankato    56003

305. **CLOSING COSTS:** Buyer or Seller may be required to pay certain closing costs, which may effectively increase the  
306. cash outlay at closing or reduce the proceeds from the sale.

307. **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA"):** Section 1445 of the Internal Revenue Code  
308. provides that a transferee ("Buyer") of a United States real property interest must be notified in writing and must withhold  
309. tax if the transferor ("Seller") is a foreign person and no exceptions from FIRPTA withholding apply. Buyer and Seller  
310. agree to comply with FIRPTA requirements under Section 1445 of the Internal Revenue Code.

311. Seller shall represent and warrant, under the penalties of perjury, whether Seller is a "foreign person" (as the same  
312. is defined within FIRPTA), prior to closing. Any representations made by Seller with respect to this issue shall survive  
313. the closing and delivery of the deed.

314. Buyer and Seller shall complete, execute, and deliver, on or before closing, any instrument, affidavit, or statement  
315. reasonably necessary to comply with the FIRPTA requirements, including delivery of their respective federal taxpayer  
316. identification numbers or Social Security numbers.

317. Due to the complexity and potential risks of failing to comply with FIRPTA, including the Buyer's responsibility for  
318. withholding the applicable tax, Buyer and Seller should **seek appropriate legal and tax advice regarding FIRPTA**  
319. **compliance, as the respective licensees representing or assisting either party will be unable to assure either**  
320. **party whether the transaction is exempt from FIRPTA withholding requirements.**

321. **NOTE:** MN Statute 500.221 establishes certain restrictions on the acquisition of title to agricultural land by aliens  
322. and non-American corporations. Please seek appropriate legal advice if this Purchase Agreement is for the  
323. sale of agricultural land and Buyer is a foreign person.

324. **FULLY EXECUTED PURCHASE AGREEMENT AND FINAL ACCEPTANCE:** To be binding, this Purchase Agreement  
325. and all addenda must be fully executed by both parties and a copy must be delivered.

326. **ELECTRONIC SIGNATURES:** The parties agree the electronic signature of any party on any document related to  
327. this transaction constitute valid, binding signatures.

328. **ENTIRE AGREEMENT:** This Purchase Agreement and all addenda and amendments signed by the parties shall  
329. constitute the entire agreement between Buyer and Seller. Any other written or oral communication between Buyer  
330. and Seller, including, but not limited to, e-mails, text messages, or other electronic communications are not part of this  
331. Purchase Agreement. This Purchase Agreement can be modified or canceled only in writing by Buyer and Seller or by  
332. operation of law. All monetary sums are deemed to be United States currency for purposes of this Purchase  
333. Agreement.

334. **SURVIVAL:** All warranties specified in this Purchase Agreement shall survive the delivery of the deed or contract  
335. for deed.

336. **DATE OF THIS PURCHASE AGREEMENT:** Date of this Purchase Agreement to be defined as the date on line one  
337. (1) of this Purchase Agreement.

338. **OTHER:**

339. Buyer to pay the following: \$4,500.00 to sellers for Attorney and other expenses, state deed  
tax fee of \$5,058.90, any green acres tax pending or due and a \$395.00 Admin fee to Landmark  
Real Estate.

340. The land is rented for the 2024 growing season and farmer will get to harvest the crop. Any  
341. rent payment will be kept by the sellers. The current farmer and or his assigns to receive  
first option and first right of refusal to lease the land in the future years in which buyer  
342. would be offering the land to lease for crop farming.

343.

344.

345.

**PURCHASE AGREEMENT:  
LAND (NON-RESIDENTIAL)**

346. Page 9 Date April 25th 2024

347. Property located at TBD Carlson Drive North Mankato 56003

348. **ADDENDA:** Attached addenda are a part of this Purchase Agreement.

349. **NOTE:** Disclosures and optional Arbitration Agreement are not part of this Purchase Agreement.

350. I agree to sell the Property for the price and on the  
351. terms and conditions set forth above.

352. **I have reviewed all pages of this Purchase**  
353. **Agreement.**

354. **I have reviewed all pages of this Purchase Agreement.**

355. ☐ **If checked, this Agreement is subject to attached**  
356. **Addendum to Purchase Agreement: Counteroffer.**

357. **FIRPTA:** Seller represents and warrants, under penalty  
358. of perjury, that Seller ☐ **IS** ☒ **IS NOT** a foreign person (i.e., a  
----- (Check one.) -----

359. non-resident alien individual, foreign corporation, foreign  
360. partnership, foreign trust, or foreign estate for purposes of  
361. income taxation. (See lines 303-319.) This representation  
362. and warranty shall survive the closing of the transaction  
363. and the delivery of the deed.

**364. SELLER**

365. Burnett Properties Lllp

(Business Entity or Individual Name)

366. By: 

(Seller's Signature)

367. Burnett Properties Lllp

(Seller's Printed Name)

368. Its: Trustee

(Title)

369. 4/25/2024

(Date)

**370. SELLER**

371. \_\_\_\_\_  
(Business Entity or Individual Name)

372. By: \_\_\_\_\_  
(Seller's Signature)

373. \_\_\_\_\_  
(Seller's Printed Name)

374. Its: \_\_\_\_\_  
(Title)

375. \_\_\_\_\_  
(Date)

**BUYER**

North Mankato Port Authority Commission

(Business Entity or Individual Name)

By: \_\_\_\_\_  
(Buyer's Signature)

North Mankato Port Authority Commission

(Buyer's Printed Name)

Its: \_\_\_\_\_  
(Title)

(Date)

**BUYER**

\_\_\_\_\_  
(Business Entity or Individual Name)

By: \_\_\_\_\_  
(Buyer's Signature)

\_\_\_\_\_  
(Buyer's Printed Name)

Its: \_\_\_\_\_  
(Title)

(Date)

376. **FINAL ACCEPTANCE DATE:** \_\_\_\_\_ The Final Acceptance Date  
377. is the date on which the fully executed Purchase Agreement is delivered.

378. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).**  
379. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**

MN:PA:L-9 (8/22)

# WIRE FRAUD ALERT



Internet fraud — the use of Internet services or software with Internet access to defraud victims — is on the rise in real estate transactions.

**THESE SOPHISTICATED CRIMINALS COULD:**

- **HACK INTO YOUR E-MAIL ACCOUNT** or the e-mail of others involved in your real estate transaction and may direct you to wire money to the hacker's account.
- **SEND FRAUDULENT E-MAILS** that appear to be from your real estate licensee, lender, or closing agent.
- **CALL YOU** claiming they have revised wiring instructions.

## **Buyers/Tenants and Sellers/Owners are advised to:**

- (1) Never wire funds without confirming the wiring instructions directly with the intended recipient.
- (2) Verify that the contact information for the wire transfer recipient is legitimate by calling a known phone number for the broker or closing agent. Do not rely on the information given to you in an e-mail communication.
- (3) Never send personal information through unsecured/unencrypted e-mail.

## **If you suspect wire fraud in your transaction:**

- (1) Immediately notify your bank, closing agent, and real estate licensee.
- (2) File a complaint online at the Internet Crime Complaint Center (IC3) at <http://www.ic3.gov>.

The undersigned acknowledge receipt of this wire fraud alert and understand the importance of taking proactive measures to avoid being a victim of wire fraud in a real estate transaction.

\_\_\_\_\_  
(Signature) North Mankato Port Authority Commission (Date)

*Kay Muecke* 4/25/2024  
\_\_\_\_\_  
(Signature) (Date)

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RESOLUTION AUTHORIZING THE PURCHASE OF REAL ESTATE

WHEREAS, the North Mankato Port Authority Commission wishes to acquire certain real estate for redevelopment purposes; and

WHEREAS, it is desirable to purchase the property identified by the Nicollet County Land Records as part of PIN #01.103.0105, from HH Partnership for the estimated purchase price of \$663,000.00;

NOW, THEREFORE, BE IT RESOLVED BY THE NORTH MANKATO PORT AUTHORITY COMMISSION that the Executive Vice President is authorized to execute the necessary documents to complete the acquisition of said property for the estimated purchase price of \$668,070.00.

Adopted this 17<sup>th</sup> day of June, 2024.

---

President

---

Secretary



## REAL ESTATE PURCHASE AGREEMENT

This Real Estate Purchase Agreement ("Agreement") is made to be effective as of \_\_\_\_\_, 2024 (the "Effective Date"), between HH Partnership, a Minnesota general partnership ("Seller"), and North Mankato Port Authority Commission, a Minnesota municipal corporation ("Buyer").

In consideration of the covenants and agreements of the parties hereto, Seller and Buyer agree as follows:

1. **Sale of Property.** Upon the terms and conditions of this Agreement, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the following property (collectively, the "Property"):

(A) Approximately 17.13 acres of land adjacent to and south of Carlson Drive, City of North Mankato, Nicollet County, State of Minnesota, being that part of PIN 01.103.0105 legally described on Exhibit A attached hereto, (the "Land");

(B) Seller's interests in any certificates, permits, variances, authorizations, licenses and approvals which benefit or relate to Property; all warranties and guaranties, if any, given to, assigned to or benefiting the Property regarding the construction, design, use, operation, management or maintenance of the Property; and all blueprints, drawings, surveys, studies, plans and specifications regarding the Property that are in the possession of, or available to Seller or its agents.

2. **Purchase Price.** The total purchase price ("Purchase Price") to be paid by Buyer to Seller for the Property shall be Six Hundred Sixty Eight Thousand Seventy and no/100's Dollars (\$668,070.00). The Purchase Price is payable by wire transfer on the Closing Date. Upon full execution and delivery of this Purchase Agreement Buyer shall deposit as Earnest Money, the sum of \$10,000.00 with Seller's attorney.

3. **Closing.** The closing of the purchase and sale contemplated by this Agreement (the "Closing") shall occur on or before July 31, 2024, or such other date mutually acceptable to Seller and Buyer, subject to extension for title curative matters pursuant to Section 8(A) (the "Closing Date"). The Closing shall take place at a location mutually agreeable between parties.

4. **Closing Deliverables.** On the Closing Date, Seller shall execute and/or deliver to Buyer the following:

(A) A Limited Warranty Deed ("Deed") (with statement regarding no wells), conveying the Land to Buyer, free and clear of all mortgages, liens, and encumbrances, subject to the following exceptions: (i) Building and zoning laws, ordinances, state and federal regulations; (ii) Restrictions relating to use or improvement of the Land without effective forfeiture provision; (iii) Reservation of any minerals or mineral rights to the State of Minnesota; (iv) Utility and drainage easements; and (v) easement and restrictions of public record filed in the office of the Nicollet County recorder's office.

(B) An Affidavit of Seller indicating that on the Closing Date there are no outstanding, unsatisfied judgments, tax liens or bankruptcies against or involving Seller or the Property; that there has been no labor or material furnished to the Property for which payment has not been made or for which mechanics' liens could be filed; that there are no other unrecorded interests in the Property; and that there are no encroachment or survey issues of which Seller is aware; together with whatever standard owner's affidavit and/or indemnity which may be reasonably required by the Realtor to issue a policy of title insurance;

(C) A non-foreign person affidavit, properly executed and notarized, containing such information as is required by IRC Section 1445(b) (2) and its regulations;

(D) The Title Evidence for the Land; and

(E) A counterpart of a closing statement (the "Statement") jointly prepared by Seller and Buyer reflecting the prorations and adjustments required herein, and the balance of the Purchase Price due Seller.

On the Closing Date, Buyer will execute and/or deliver to Seller the following: (1) the balance of the

Purchase Price set forth in the Statement, by wire transfer; and (2) a counterpart of the Statement.

5. **Real Estate Taxes and Assessments.** General real estate taxes and assessments payable therewith and payable in the year prior to the year of Closing and all prior years will be paid by Seller. Buyer shall pay or assume all special assessments that were officially levied or pending as of the date of this Agreement. Special assessments levied or which become pending after the date of this Agreement shall be the responsibility of Buyer. General real estate taxes payable in the year of Closing shall be prorated between Buyer and Seller as of the Closing Date.

6. **Possession.** Seller agrees to deliver possession of the Property on the Date of Closing, provided that all conditions of this Agreement have been complied with.

7. **Buyer's Contingencies.** The obligation of Buyer to perform under this Agreement is contingent upon the timely occurrence or satisfaction of each of the following conditions:

(A) On the Closing Date, title to the Property shall be acceptable to Buyer.

(B) The representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects now and on the Closing Date.

8. **Mutual Agreements.**

(A) Within a reasonable amount of time after acceptance of this Purchase Agreement, Seller shall turn over to Buyer the Abstract of Title for the property, if in Seller's possession. Seller shall have no other responsibility to provide title evidence. Buyer shall be responsible for all costs and fees incurred in connection with any title search that Buyer or Buyer's lender may require. Buyer has the right to evaluate the title taking into consideration the Buyer's intended use of the property. Buyer shall provide Seller with a copy of the Commitment for Title Insurance, Title Opinion, or any written Title Objections. Sellers shall have 30 days from receipt of Buyer's Title Objections or until the date of closing, whichever is later, to make title marketable. If Notice is given but the 30 days expires without the title being made marketable, either party may cancel this Purchase Agreement by Notice to other party pursuant to Minn. Stat. Sec. 559.217, Subd. 3 and neither party shall be liable for damages hereunder to the other, and the earnest money shall be refunded to Buyer; or Buyer may elect to take title subject to some or all of the Title Objections. Buyer shall be deemed to have waived any Title Objections not corrected by closing.

(B) Buyer will pay the cost of recording the Deed. Seller shall pay the cost of recording any documents necessary to perfect its own title, which release encumbrances or in connection with the clearance of any title objections it agrees to cure. Buyer and Seller will each pay one-half of any closing fee or charge.

9. **Seller's Representations and Warranties.** As part consideration and inducement to Buyer to enter into this Agreement, Seller represents and warrants to Buyer and agrees as follows:

(A) There are no: (i) abandoned individual sewage treatment systems on the Land, and (ii) above ground or underground tanks located in or about the Land in use or abandoned, and no such tanks have been removed during Seller's ownership of the Property except in compliance with applicable law.

(B) Neither the execution, delivery or performance of this Agreement will result in the breach under any indenture, security instrument nor other agreement or court or administrative order by which the Seller or the Property may be bound or affected.

(C) Seller has not received any written notice from a governmental authority that a person or the Property has violated a law, ordinance or regulation affecting the Property or that the authority may commence eminent domain, condemnation, special taxing district, or rezoning proceedings affecting the Property.

(D) To the knowledge of Seller, there is not any environmental condition, hazardous substance, situation, or incident on, at, or concerning the Property, that could give rise to an action or

liability under any Environmental Laws. Seller warrants and represents that to the knowledge of Seller: (1) there are no current investigations, administrative proceedings, litigation, regulatory hearings or other actions proposed, threatened or pending, alleging non-compliance with or violation of any federal, or state or local laws, ordinance, rule or regulations dealing with environmental, health or safety matters ("Environmental Laws") or relating to any required environmental permits; (2) Seller has not violated any Environmental Laws with respect to the Property; and (3) the Land is in material compliance with applicable Environmental Laws.

(E) EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 9, BUYER AGREES WITH SELLER THAT: (i) BUYER IS PURCHASING THE PROPERTY IN "AS-IS, WHERE IS" CONDITION "WITH ALL FAULTS" AND DEFECTS AS OF THE CLOSING DATE AND SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, EITHER EXPRESS OR IMPLIED, AS TO ITS CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY, OR ANY OTHER WARRANTY OF ANY KIND, NATURE, OR TYPE WHATSOEVER FROM OR ON BEHALF OF SELLER; AND (ii) Seller has not made, and is not making, any other representation, statement, warranty or promise to Buyer about the Property, including the physical aspects and condition of any portion of the Property, or the condition of the soil on the Property.

10. **Farm Lease.** Buyer acknowledges that the property is subject to a farm lease that expires December 31, 2024, and that crops have been planted on the property. Buyer agrees to allow the crops to be harvested by the tenant and will hold Seller harmless and indemnify Seller against any claims by the tenant for damages to the crops caused by Buyer or its contractors or agents. The Seller shall be entitled to the rent that is due and payable in 2024 pursuant to this farm lease.

11. **Property Split.** The parties acknowledge that this transaction will result in a splitting of PIN 01.103.0105 and therefore split approval must be obtained from the City of North Mankato and/or Nicollet County. The Buyer agrees to pay all fees charged by the City of North Mankato. The Seller agrees to pay all fees charged by Nicollet County for such split. The Seller agrees to pay all of the 2024 property taxes on that portion of PIN 01.103.0105 not being purchased by Buyer.

12. **General Terms.** This Agreement: (a) together with all attached exhibits and addenda or amendments signed by the parties constitutes the entire agreement between Seller and Buyer concerning the Property, supersedes all other written or oral agreements between them, and neither party has relied upon any verbal or written representations, agreements or understandings not set forth herein, whether made by any agent or party hereto; (b) may not be modified except by a writing signed by Seller and Buyer; (c) may be executed in counterparts, each of which shall be deemed an original, and which together shall constitute a single, integrated contract; (d) shall be governed by the laws of the State of Minnesota and any action to enforce rights or obligations under this Agreement shall be brought in the District Court of Nicollet County, Minnesota; and (e) may not be assigned without the written consent of both parties. Time is of the essence for all provisions of this Agreement.

13. **Notices.** Any notice, request, demand, or other communication given by any party under this Agreement shall be in writing, may be given by a party or its legal counsel and shall be deemed to be duly given (a) when personally delivered, (b) upon delivery by a nationally recognized express courier service which provides evidence of delivery, or (c) on the date of transmission if sent by electronic mail (with confirmation of receipt received).

If to Seller:	HH Partnership 23640 Trails End Ln Cleveland MN 56017
If to Buyer:	North Mankato Port Authority Commission 1001 Belgrade Ave North Mankato MN 56003

[Signatures contained on following page]



IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day, month and year first above written.

**SELLER:**  
**HH Partnership**

By: Rose Hendley  
Name: Rose Hendley  
Its: Managing Partner

**BUYER:**  
**North Mankato Port Authority Commission**

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

By: Michael Hendley  
Name: Michael Hendley  
Its: Managing Partner

**THIS IS A LEGALLY BINDING CONTRACT, IF NOT UNDERSTOOD, SEEK COMPETENT  
ADVICE.**

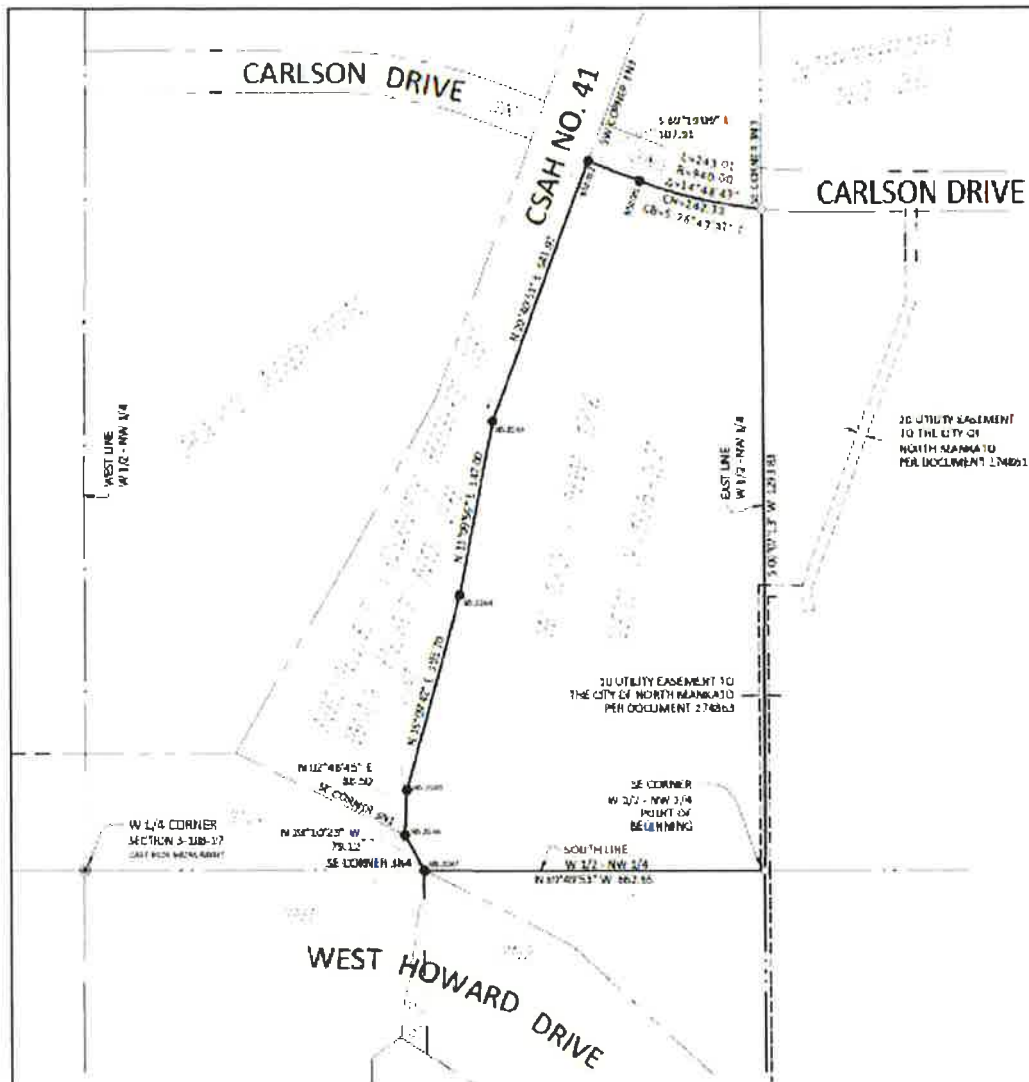
## **EXHIBIT A**

### **Legal Description of Property**

That part of the West Half of the Northwest Quarter of Section 3, Township 108 North, Range 27 West, Nicollet County, Minnesota, described as follows:

Beginning at the Southeast Corner of the West Half of the Northwest Quarter of said Section 3; thence North 89 degrees 49 minutes 53 seconds West (bearings based on Nicollet County Coordinate System NAD83, 1996 Adjustment) on the south line of said West Half of the Northwest Quarter of said Section 3, a distance of 662.65 feet to the southeast corner of Parcel 3N4 of Nicollet County Right of Way Plat No. 26, according to the recorded plat on file and of record with the Nicollet County Recorder's Office; thence North 28 degrees 10 minutes 23 seconds West on the easterly line of said Parcel 3N4, a distance of 79.12 feet to the southeasterly corner of Parcel 3N1 of said Nicollet County Right of Way Plat No. 26; thence North 02 degrees 48 minutes 45 seconds East on the easterly line of said Parcel 3N1, a distance of 88.50 feet; thence North 15 degrees 09 minutes 42 seconds East on said easterly line, a distance of 393.70 feet; thence North 11 degrees 09 minutes 56 seconds East on said easterly line, a distance of 347.00 feet; thence North 20 degrees 40 minutes 51 seconds East on said easterly line, a distance of 541.97 feet to the southwesterly corner of Parcel 3N3 of said Nicollet County Right of Way Plat; thence South 69 degrees 19 minutes 09 seconds East on the south line of said Parcel 3N3, a distance of 107.91 feet; thence Southeasterly on said south line, a distance of 243.01 feet along a tangential curve to the left, having a radius of 940.00 feet, a central angle of 14 degrees 48 minutes 43 seconds, and the chord of said curve is 242.33 feet in length and bears South 76 degrees 43 minutes 31 seconds East to the southeasterly corner of said Parcel 3N3 said point being on the East line of said West Half of the Northwest Quarter; thence South 00 degrees 07 minutes 13 seconds West on said east line of said West Half of the Northwest Quarter of said Section 3, a distance of 1293.83 feet to the point of beginning.

Said parcel contains 17.13 acres of land.



### SURVEYOR'S CERTIFICATION

I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly licensed land surveyor under the laws of the State of Minnesota.

*Michael M. Hubers*  
Michael M. Hubers  
License Number 46564

05/13/2024  
Date

### LEGEND

- 1/4" IRON PIPE MONUMENT SET
- MONUMENT FOUND



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That part of the West Half of the Northwest Quarter of Section 3, Township 108 North, Range 27 West, Nicollet County, Minnesota, described as follows:

Beginning at the Southeast Corner of the West Half of the Northwest Quarter of said Section 3; thence North 83 degrees 49 minutes 53 seconds West (bearings based on Nicollet County Coordinate System NAD83, 1996 Adjustment) on the south line of said West Half of the Northwest Quarter of said Section 3, a distance of 662.63 feet to the southeast corner of Parcel 3N4 of Nicollet County Right of Way Plat No. 26, according to the recorded plat on file and of record with the Nicollet County Records Office; thence North 28 degrees 10 minutes 23 seconds West on the easterly line of said Parcel 3N4, a distance of 79.12 feet to the southeasterly corner of Parcel 3N1 of said Nicollet County Right of Way Plat No. 26; thence North 02 degrees 48 minutes 43 seconds East on the easterly line of said Parcel 3N1, a distance of 68.30 feet; thence North 15 degrees 09 minutes 42 seconds East on said easterly line, a distance of 393.70 feet; thence North 11 degrees 09 minutes 36 seconds East on said easterly line, a distance of 347.00 feet; thence North 20 degrees 40 minutes 31 seconds East on said easterly line, a distance of 541.97 feet to the southwesterly corner of Parcel 3N3 of said Nicollet County Right of Way Plat; thence South 69 degrees 19 minutes 09 seconds East on the south line of said Parcel 3N3, a distance of 107.91 feet; thence Southwesterly on said south line, a distance of 243.01 feet along a tangential curve to the left, having a radius of 940.00 feet, a central angle of 14 degrees 48 minutes 43 seconds, and the chord of said curve is 242.33 feet in length and bears South 76 degrees 43 minutes 31 seconds East to the southeasterly corner of said Parcel 3N3 said point being on the East line of said West Half of the Northwest Quarter; thence South 00 degrees 07 minutes 13 seconds West on said east line of said West Half of the Northwest Quarter of said Section 3, a distance of 1253.33 feet to the point of beginning. Said parcel contains 17.13 acres of land.

### CERTIFICATE OF SURVEY NORTH MANKATO, MINNESOTA



1390 PREMIER DRIVE  
MANKATO, MN 56001  
(507) 625-4171

PART OF THE W 1/2 OF THE NW 1/4  
NICOLLET COUNTY, MINNESOTA

FOR: HBI PARTNERSHIP

H:\HBI PARTNERSHIP\19\14\1347\BOLTON\CA\191114764\_V\_CERT OF SURVEY.dwg 5/13/2024 7:38 AM JOB NUMBER: 24X134764.000 FIELD BOOK: DRAWN BY: MSM 2.0 53-T308H-107W