City of North St. Paul
Housing & Redevelopment Authority
Following the City Council Regular Meeting

September 21, 2021
7:00 PM

The Housing and Redevelopment Authority meeting will be conducted on **September 21, 2021** following the City Council meeting. The meeting location is the City Council Chambers of City Hall, located at 2400 Margaret St., North St. Paul.

The City Council will also be meeting by interactive TV under Minn. Stat. 13D.02. Members of the public are permitted to attend the meeting in person, however, it is encouraged to participate in the meeting remotely. Instructions can be found below.

The **September 21, 2021** Zoom meeting can be accessed via
https://tinyurl.com/NSPCityCouncil
(from a PC, Mac, tablet, iPhone or Android device)
or by phone at 1-929-205-6099, meeting ID 821 4097 2224, password 362656.

You can also watch the meeting on our YouTube channel here **tinyurl.com/NSPYouTube**

The City Council Zoom meeting will be 'open to the public' to listen in but will be muted from contributing at all times with the exception of a Public Hearing and open to the public forum.

Please join the meeting early to test your audio and video settings.

I. Call to Order

II. Roll Call

Terry Furlong, Chair
Scott Thorsen, Commissioner
Candy Petersen, Commissioner
Tim Cole, Commissioner
Lisa Wong, Commissioner
Brian Frandle, Executive Director

III. HRA Action Items & Recommendations

A. Approve Resolution No. 2021-xxx Approving the Purchase Agreement and Addendum for the Sale of 2198 2nd St

IV. Adjournment

The next regularly scheduled Housing & Redevelopment Authority meeting is TBD

NORTH ST. PAUL
extraordinary.

Agenda Information Memorandum

To	Date
Honorable Mayor Furlong and City Council	September 21, 2021

Agenda Placement # III.A

HRA Action Items & Recommendations

Subject

Approve Resolution No. 2021-xxx Approving the Purchase Agreement and Addendum for the Sale of 2198 2nd St

Background/Facts

On August 17th, the Housing and Redevelopment Authority approved the sale of the student-built house located at 2198 2nd St. for the amount of $360,000 with a closing date TBD.

The HRA is proposing to enter into a purchase agreement and an addendum to the purchase agreement.

The Executive Director and Chair of the HRA are authorized and directed to finalize the negotiation of the Purchase Agreement and execute all documents.

Recommendation:

Approve Resolution No. 2021-xxx Approving the Purchase Agreement and Addendum for the Sale of 2198 2nd St

Attachments

1. Res 2021-xxxHRA_APPROVING_SALE_OF_2198_2ND_ST_HOME
2. Purchase agreement 2198 2nd St N
3. 2198 2nd Street N Updated Addendum To PA 091021

Respectfully submitted,

CITY OF NORTH ST. PAUL
HOUSING AND REDEVELOPMENT AUTHORITY
RAMSEY COUNTY, MINNESOTA

RESOLUTION NO. 2021-xxx

RESOLUTION APPROVING THE PURCHASE AGREEMENT AND ADDENDUM FOR THE SALE OF 2198 2ND STREET

WHEREAS, the City of North St. Paul Housing and Redevelopment Authority ("HRA") is proposing to convey certain property located at 2198 2nd Street North, North St. Paul, Minnesota (PID 122922340077) ("Property");

WHEREAS, the HRA is proposing to enter into a purchase agreement and an addendum to the purchase agreement attached hereto ("Purchase Agreement").

NOW, THEREFORE, BE IT RESOLVED by the City of North St. Paul Housing and Redevelopment Authority that:

1. The Purchase Agreement is hereby approved, and the Executive Director and Chair of the HRA are authorized and directed to finalize the negotiation of the Purchase Agreement, execute all documents, and take all appropriate measures to convey the Property.

ADOPTED this 21st day of September, 2021, by the City of North St. Paul Housing and Redevelopment Authority.

Motion by Commissioner
Second by Commissioner

Voting: Aye:
Nay:
Abstain:
Absent:

____
Terrence J. Furlong, Chair

Attest: ______________________________
Brian Frandle, Interim Executive Director

EXHIBIT A

[attach purchase agreement and addendum]

MINNESOTA STANDARD RESIDENTIAL PURCHASE AGREEMENT

1. **PARTIES.** This Purchase Agreement is made on August 19, 2021, by and between **ISMAEL REYNOSO ARELLANO** and **ANA REYNOSO MORALES**, husband and wife, located at 105 13th Avenue South, South St. Paul, Minnesota 55075, ("Buyers"), and the **NORTH SAINT PAUL HOUSING AND REDEVELOPMENT AUTHORITY**, a political subdivision of the State of Minnesota, located at 2400 Margaret Street, North Saint Paul, Minnesota 55109 ("Seller").

2. **OFFER/ACCEPTANCE.** Buyers offer to purchase and Seller agrees to sell real property ("Property") located at 2198 2nd Street North, North Saint Paul, MN 55109 legally described as:

   [insert legal description per title commitment]

3. **FIXTURES AND PERSONAL PROPERTY INCLUDED IN SALE.** For the purposes of this Purchase Agreement, "Fixtures" are items that are embedded in the land or attached to the building(s) and cannot be removed without damage to the Property. The method by which the fixture is "attached" could be screws, nails, adhesives, or any other mechanical connection which shows Seller's intent to make the item a permanent part of the real estate. Examples of fixtures are doors and cabinets. "Personal property" includes items that are not attached to the building(s) or embedded in the land and that are removable without damage to the Property. Examples of personal property are free-standing (not "built in") appliances and furniture. Buyers and Seller should consider carefully the fixtures and personal property to be included in the sale. For example, a mirror attached to a wall by screws or nails is a fixture, while a mirror hung from a nail or picture hanger is personal property.

   A. **PROPERTY INCLUDED IN THE SALE.** Title to fixtures passes to Buyers with the deed. All items of personal property and fixtures currently located on or attached to or embedded in the Property and not excluded under Paragraph 3B., below, are included in this sale such as: garden bulbs, plants, shrubs, trees, landscaping, storm windows and inserts, storm doors and inserts, screens, awnings, window shades, blinds, curtain-traverse-drapery rods, mirrors, door mirrors, cabinets, counter tops, doors, door hardware, mantels, woodwork, attached lighting fixtures with bulbs, electrical wiring, electric outlets, electric switches, electric outlet plates and switch plates, all plumbing and piping, plumbing fixtures, sump pumps, water heaters, heating systems, heating stoves, fireplace inserts, fireplace doors and screens, built-in humidifiers, built-in air conditioning units, built-in electronic air filters, automatic garage door openers with controls, television antennas, satellite dishes, water softeners, built-in dishwashers, garbage disposals, built-in trash compactors, built-in ovens and cooking stoves, hood-fans, intercoms, installed carpeting, built-in work benches, security systems, fences, retaining walls, kennels, gates, survey monuments, culverts, sheds, gazebos, trellises, underground irrigation systems, weathervanes, lightning rods, flagpoles, light poles and lights, outdoor statuary, pumps, mail boxes, mail box posts, and newspaper boxes.

B. **FIXTURES EXCLUDED FROM THE SALE.** The following fixtures, currently attached to the real property, are excluded from this sale and will be removed by Seller prior to Seller vacating the Property as required under the terms hereof: None.

C. **PERSONAL PROPERTY INCLUDED IN THE SALE.** Title to personal property passes to Buyers by a bill of sale. Any personal property to be included in the sale must be listed here. The following items of personal property owned by Seller and currently located on the real property are included in this sale: None.

4. **PRICE AND TERMS.** The price for the real and personal property included in this sale is $360,000.00 ("Purchase Price"), which Buyers shall pay as follows:

A. Earnest money of $2,500.00 by check payable to Seller, to be deposited and held by Seller (and may be commingled with Seller's other funds), receipt of which is hereby acknowledged, to be applied to the Purchase Price at closing;

B. The remainder of the Purchase Price in cash on the Closing Date as hereinafter defined.

5. **DEED/MARKETABLE TITLE.** Upon performance by Buyers, Seller shall execute and deliver a General Warranty Deed conveying marketable title of record to the Property, subject to:

A. Building and zoning laws, ordinances, state and federal regulations;

B. Reservation of any mineral rights by the State of Minnesota;

C. Utility and drainage easements that have been disclosed, if any; and

D. Exceptions to title which constitute encumbrances, restrictions or easements which have been disclosed to Buyers and accepted by Buyers in this Purchase Agreement.

Although Seller has disclosed these title issues and Buyers have indicated a general willingness to take the title subject to these title issues, these title issues are subject to the other provisions of the Purchase Agreement and to an examination of title based upon the Minnesota Title Standards and upon Minnesota law.

Buyers also reserve the right to evaluate the title issues in the light of Buyers' intended use and enjoyment of the Property. Buyers shall have until the end of the period for stating Title Objections under paragraph 14 of the Purchase Agreement to make the evaluation and determine if these title issues will affect Buyers' intended use and enjoyment of the Property. If Buyers, in Buyers' sole discretion, determines that these title issues will adversely affect Buyers' intended use and enjoyment of the Property, Buyers may declare this Purchase Agreement void by notice to Seller, neither party shall be liable for damages hereunder to the other, and earnest money shall be refunded to Buyers. If the period for stating Title Objections under paragraph 14, passes without Buyers' declaring that these title issues will adversely affect Buyers' intended use and enjoyment of the property, then, subject to Seller's covenant to deliver a good and marketable title of record, Buyers shall take title subject to these title issues.

6. **REAL ESTATE TAXES AND SPECIAL ASSESSMENTS.**

A. **Current Year Taxes.** Real estate taxes due and payable in and for the year of closing shall be prorated between Seller and Buyers on a calendar year basis to the actual date of closing, adjusted on the settlement statement at closing, and unless otherwise provided in this Purchase Agreement, shall be paid at closing.

B. **Homestead Classification.** Seller represents that, as of the date of this Agreement, the property tax classification is non-homestead. If the Property is non- homestead, Buyers may change the tax classification for taxes payable in the year following closing by taking possession of the Property as Buyers' homestead and filing a new homestead declaration within the time required by law.

C. **Deferred Real Estate Taxes.** Seller shall pay on Date of Closing or provide for payment of any deferred real estate taxes (including "Green Acres" taxes under MINN. STAT. §273.111) payment of which is required as a result of the closing of this sale and/or the recording/filing of the deed or contract-for-deed. (Seller's provision for payment shall be by payment into escrow of 1½ times the estimated payoff amount of the deferred taxes.)

D. **Valuation Exclusions from Assessed Value.** Seller warrants and represents that the property does not have an exclusion from estimated market value for certain home improvements pursuant to Minnesota Statutes section 273.11, Subd. 16. Such exclusion expires on the sale of the Property and will cause the assessed value of the Property to increase for property tax purposes. The increase in assessed value will cause the property taxes to increase and might make the property unaffordable for Buyers. If Seller represents that the property does not have an exclusion and an exclusion is discovered prior to closing, Buyers may, at Buyers' option:

(1) Assume payment of the increased property taxes without adjustment to the purchase price of the real property;

(2) Require that the price of the property be reduced by the estimated increase in property taxes over the three calendar years following the year of closing (Such estimated increase shall be obtained from the county assessor or city assessor.); or

(3) Declare this Purchase Agreement void by notice to Seller, and the earnest money shall be refunded to Buyers.

If the exclusion is not discovered until after closing, Seller shall be liable to Buyers for five times the difference between the shall be real estate taxes due and payable in the year of closing and the estimated increase in real estate taxes based on the reassessed value provided that any notice of a claim of breach of warranty must be in writing and must be given by Buyers to Seller within one year of the Date of Closing or be deemed waived.

E. **Certified Special Assessments.** All installments of special assessments certified for payment with the real estate taxes due and payable in the year of closing shall be prorated between Seller and Buyers on a calendar year basis to the actual date of closing, adjusted on the settlement statement at closing, and unless otherwise provided in this Purchase Agreement, shall be paid at closing.

F. **Pending Special Assessments.** Seller shall provide for payment of special assessments pending as of the date of this Purchase Agreement for improvements that have been ordered by the City Council or other governmental assessing authorities. (Seller's provision for payment shall be by payment into escrow of 1½ times the estimated amount of the assessments.) As of the date of this Purchase Agreement, Seller represents that Seller has not received a Notice of Hearing of a new public improvement project from any governmental assessing authority, the costs of which project may be assessed against the real property. If a special assessment becomes pending after the date of this Purchase Agreement and before the Date of Closing, Buyer mays, at Buyers' option:

(1) Assume payment of the pending special assessment without adjustment to the purchase price of the real property; or

(2) Require Seller to pay the pending special assessment (or escrow for payment of same as provided above) and Buyers shall pay a commensurate increase in the purchase price of the real property, which increase shall be the same as the estimated amount of the assessment; or

(3) Declare this Purchase Agreement void by notice to Seller, and the earnest money shall be refunded to Buyers.

G. **Deferred Special Assessments.** Seller shall pay on Date of Closing or provide for payment of special assessments payment of which is required as a result of the closing of this sale and/or the recording/filing of the deed or contract-for-deed. (Seller's provision for payment shall be by payment into escrow of 1½ times the estimated payoff amount of the deferred special assessments.)

H. **All Other Levied Special Assessments.** Seller shall pay on Date of Closing all other special assessments levied as of the date of this Purchase Agreement.

I. **Taxes and Special Assessments in the Year Following Closing.** Buyers shall pay real estate taxes due and payable in the year following closing and thereafter and any unpaid special assessments payable therewith and thereafter, the payment of which is not otherwise provided herein. Seller makes no representation concerning the amount of future real estate taxes or of future special assessments.

7. **DAMAGES TO REAL PROPERTY.** Seller agrees to maintain the Property in the same condition that it is in upon the execution of this Agreement, reasonable wear and tear

accepted. Seller shall maintain "all risk" insurance on the Property insuring against fire, hail, wind, etc. in the same amount currently being carried by Seller. If the Property is damaged by fire or any other cause covered by said insurance, the Seller shall have the right to repair the Property or to keep the insurance proceeds. If Seller keeps the insurance proceeds, the amount paid by the insurance company to Seller shall be deducted from the Purchase Price payable by Seller at Closing. If the Property is damaged prior to closing, Seller shall notify Buyers of such damage, and Seller shall immediately file a claim with the insurance company.

8. **SELLER'S BOUNDARY LINE, ACCESS, RESTRICTIONS AND LIEN WARRANTIES.** Seller warrants that buildings, if any, are entirely within the boundary lines of the real property. Seller warrants that there is a right of access to the real property from a public right of way. Seller warrants that there has been no labor or material furnished to the real property for which payment has not been made. Seller warrants that there are no present violations of any restrictions relating to the use or improvement of the real property. Seller warrants that the real property is not subject to a lien for Medical Assistance or other public assistance. These warranties shall survive the delivery of the Deed or Contract for Deed.

9. **CONDITION OF THE REAL PROPERTY.**

A. Seller warrants that all fixtures, heating and air conditioning equipment, fireplaces (including mechanisms, dampers, flues, and doors), wiring, and plumbing used and located on the Property will be in working order on the Date of Closing. For the purposes of this Purchase Agreement, "in working order" means that the item functions for the purpose that it is intended to perform, that it is not in violation of any public codes or regulations (although it may be nonconforming under current law), that it does not presently need repairs or service, that it is not missing any essential parts, and that its only imperfections are "cosmetic" or signs of "wear and tear" associated with a product of its age. Seller represents that the property has not had a wet basement or water in the basement. Seller discloses that the roof has not leaked. Seller warrants that the property is connected to city sewer and water. Seller shall remove all debris, trash, rubbish, garbage, rubble, and yard waste from the land before the possession date. Seller shall remove all trash, garbage, and miscellaneous discarded materials from the buildings, and shall leave the buildings in "broom clean" condition before the possession date. Seller shall remove all personal property not included in this sale from the real property before possession date. Seller has not received any notice from any governmental authority as to the existence of any Dutch elm disease, oak wilt, or other disease of any trees on the real property.

B. Seller knows of no hazardous substances or petroleum products having been placed, stored, or released from or on the real property by any person in violation of any law, nor of any underground storage tanks having been located on the real property at any time, except as follows: None.

C. Seller's warranties and representations contained in this paragraph 9 shall survive the delivery of the Deed. Any notice of a defect or claim of breach of warranty must be in writing and any such notice with respect to matters referred to in A., above must be given by Buyers to Seller within one year of the Date of Closing or be deemed waived.

D. Buyers shall have the right to have inspections of the property conducted within 30 days of the date of this Agreement. Unless required by local ordinance or lending regulations, Seller does not plan to have the property inspected. Other than the warranties and representations made in this paragraph 9, the real property and fixtures included in the sale are being sold **"AS IS"** with no express or implied representations or warranties by Seller as to physical conditions, quality of construction, workmanship, or fitness for any particular purpose. (This paragraph is not intended to waive or limit any provisions of MINN. STAT., Chapter 327A.)

10. DISCLOSURE OF NOTICES. Seller has not received any notice from any governmental authority as to violation of any law, ordinance or regulation affecting the real property. If the real property is subject to restrictive covenants, Seller has not received any notice from any person as to a breach of the covenants. Seller has not received any notice from any governmental authority concerning any eminent domain, condemnation, special taxing district, or rezoning proceedings.

11. TRUTH-IN-HOUSING. Buyers acknowledges receipt of the Truth-in-Housing Disclosure Report or other inspection report if required by the municipality in which the real property is located.

12. POSSESSION. Seller shall deliver possession of the Property not later than the Date of Closing. All interest, fuel oil, liquid petroleum gas, and all charges for city water, city sewer, electricity, and natural gas shall be prorated between the parties as of Date of Closing.

13. EXAMINATION OF TITLE. To demonstrate that Seller's title is good and marketable of record, within a reasonable time after acceptance of this Purchase Agreement, Seller shall furnish Buyers with Commitment for Title Insurance including proper searches covering bankruptcies and state and federal judgments, federal court judgment liens in favor of the U.S., liens, and levied and pending special assessments. Buyers shall have ten (10) business days after receipt of the Commitment for Title Insurance to provide Seller with a copy of the Commitment and written objections. Buyers shall be deemed to have waived any title objections not made within the ten (10) day period above. If Buyers obtain title insurance, Buyers are not waiving the right to obtain a good and marketable title of record from Seller.

14. TITLE CORRECTIONS AND REMEDIES. Seller shall have 120 days from receipt of Buyers' written title objections to make title marketable. Upon receipt of Buyers' title objections, Seller shall, within ten (10) business days, notify Buyers of Seller's intentions to make title marketable within the 120 day period. Liens or encumbrances for liquidated amounts which can be released by payment or escrow from proceeds of closing shall not delay the closing. Cure of the defects by Seller shall be reasonable, diligent, and prompt. Pending correction of title, all payments required herein and the closing shall be postponed.

A. If notice is given and Seller makes title marketable, then upon presentation to Buyers and proposed lender of documentation establishing that title has been made marketable, and if not objected to in the same time and manner as the original title objections, the closing shall take place within ten (10) business days or on the scheduled closing date, whichever is later.

B. If notice is given and Seller proceeds in good faith to make title marketable but the 120 day period expires without title being made marketable, Buyers may declare this Purchase Agreement void by notice to Seller, neither party shall be liable for damages hereunder to the other, and earnest money shall be refunded to Buyers.

C. If Seller does not give notice of intention to make title marketable, or if notice is given but the 120 day period expires without title being made marketable due to Seller's failure to proceed in good faith, Buyers may:

(1) Proceed to closing waiving objections to title; or

(2) Rescind this Purchase Agreement by notice as provided herein, in which case the Purchase Agreement shall be null and void and all earnest money paid shall be refunded to Buyers.

D. If title is marketable, or is made marketable as provided herein, and Buyers default in any of the agreements herein, Seller may Cancel this contract as provided by statute and retain all payments made hereunder as liquidated damages. The parties acknowledge their intention that any note given pursuant to this contract is a down payment note, and may be presented for payment notwithstanding cancellation.

15. **NOTICES.** All notices required herein shall be in writing and delivered personally or mailed to the address as shown at above and, if mailed, are effective as of the date of mailing.

16. **REAL ESTATE BROKER.** Seller hereby warrants to Buyers and Buyers hereby warrant to Seller that no broker, agent or finder has been retained by either party and that no broker's commissions, finder's fees or like charges have been incurred in connection with this transaction, except for commission payable to Tim Hoelzel, as broker for Coldwell Banker Burnet, which commission shall be paid by Buyers. Each party hereby indemnifies and agrees to hold harmless the other from and against all losses, damages, costs, expenses (including reasonable fees and expenses of attorneys), causes of action, suits or judgments of any nature arising out of any claim, demand or liability to or asserted by any broker, agent or finder, other than herein specified, claiming to have acted on behalf of the indemnifying party in connection with this transaction.

17. **MINNESOTA LAW.** This contract shall be governed by the laws of the State of Minnesota.

18. **WELL DISCLOSURE.** Seller certifies that Seller does not know of any wells on the real property.

19. **SEWAGE TREATMENT SYSTEM DISCLOSURE.** Seller knows that there are no abandoned individual sewage treatment systems on the property. If Seller discloses the existence of an abandoned individual sewage treatment system on the property, then Minnesota law requires that the location of the system be disclosed to Buyers with a map.

20. LEAD PAINT DISCLOSURE. Seller represents that the dwelling was not constructed on the real property before 1978. (If such housing is located on the real property, attached and made a part of this Purchase Agreement is "LEAD PAINT ADDENDUM FOR HOUSING CONSTRUCTED BEFORE 1978".)

21. METHAMPHETINE DISCLOSURE. To the best of Seller's knowledge, methamphetamine production has not occurred on the Property.

22. RADON DISCLOSURE

A. Radon Warning Statement. The Minnesota Department of Health strongly recommends that ALL homebuyers have an indoor radon test performed prior to purchase or taking occupancy, and recommends having the radon levels mitigated if elevated radon concentrations are found. Elevated radon concentrations can easily be reduced by a qualified, certified, or licensed, if applicable, radon mitigator.

Every buyer of any interest in residential real property is notified that the property may present exposure to dangerous levels of indoor radon gas that may place the occupants at risk of developing radon-induced lung cancer. Radon, a Class A human carcinogen, is the leading cause of lung cancer in nonsmokers and the second leading cause overall. The seller of any interest in residential real property is required to provide the buyer with any information on radon test results of the dwelling.

B. Radon In Real Estate. By signing this Purchase Agreement Buyers hereby acknowledges receipt of the Minnesota Department of Health's publication entitled Radon in Real Estate Transactions, which is attached hereto and can be found at www.health.state.mn.us/communities/environment/air/docs/radon/realestatedis.pdf.

C. The following are representation made by Seller to the extent of Seller's actual knowledge:

(1) Radon tests have not occurred on the Property.
(2) There are no known radon concentrations, mitigation, or remediation on the Property.
(3) There is not a radon mitigation system currently installed on the Property.

23. PROTECTED SITES. Seller has no knowledge that the Property has any conditions that are protected by federal or state law (such as American Indian burial grounds, other human burial grounds, ceremonial earthworks, historical structures or materials, or archeological sites).

24. NOTICE REGARDING PREDATORY OFFENDERS. Information about the predatory offender registry and person registered with the registry may be obtained by contacting the local law enforcement agency or by contacting the Minnesota Department of Corrections at (651) 361-7200 or at http://www.doc.state.mn.us.

25. SELLER'S AFFIDAVIT. At closing, Seller shall supplement the warranties and representations in this Purchase Agreement by executing and delivering a Minnesota Uniform Conveyancing Blank [Form No. 116-M, 117-M, or 118-M] Affidavit of Seller.

26. NEW HOME WARRANTY. MINNESOTA LAW REQUIRES THAT A SELLER OF NEW HOMES MUST PROVIDE CERTAIN WARRANTIES TO THE BUYERS (COPY ATTACHED). SELLER WARRANTS TO THE BUYERS AND SUBSEQUENT BUYERS THAT:

A. DURING THE ONE-YEAR PERIOD FROM AND AFTER THE WARRANTY DATE, THE DWELLING SHALL BE FREE FROM DEFECTS CAUSED BY FAULTY WORKMANSHIP AND DEFECTIVE MATERIALS DUE TO NONCOMPLIANCE WITH BUILDING STANDARDS;

B. DURING THE TWO-YEAR PERIOD FROM AND AFTER THE WARRANTY DATE, THE DWELLING SHALL BE FREE FROM DEFECTS CAUSED BY FALTY INSTALLATION OF PLUMBING, ELECTRICAL, HEATING AND COLLING SYSTEMS; AND

C. DURING THE TEN-YEAR PERIOD FROM AND AFTER THE WARRANTY DATE, THE DWELLING SHALL BE FREE FROM MAJOR CONSTRUCTION DEFECTS.

TO DETERMINE THE EXACT COVERAGE UNDER THE WARRANTY AND THE EXCLUSION TO THE WARRANTY SEE MINN. STAT. SECTIONS 327A.01-327A.03. BUYERS MUST PURSUE CERTAIN STATUTORY PROCEDURES BEFORE THEY CAN PURSU LEGAL ACTION FOR WARRANTY CLAIMS. SEE MINN. STAT. SECTION 327A.02, SUBD. 4.

A BUYERS HAVE TWO YEARS FROM:

A. THE DISCOVERY OF A BREACH OF THE STATUTORY WARRANTIES SUMMARIZED ABOVE; OR
B. FROM THE DISCOVERY OF A BREACH OF AN EXPRESSED WRITTEN WARRANTY TO BRING AN ACTION BASED ON THE BREACH.

IN THE CASE OF AN ACTION UNDER MINN. STATUTE SECTION 327A.05 WHICH ACCRUES DURING THE NINTH OR TENTH YEAR AFTER THE WARRANTY DATE, AN ACTION MAY BE BROUGHT WITHIN TWO YEARS OF THE DISCOVERY OF THE BREACH, BUT IN NO EVENT MAY AN ACTION UNDER MINN. STATUTE SECTION 327A.05 BE BROUGHT MORE THAN 12 YEARS AFTER THE EFFECTIVE WARRANTY DATE.

BUYERS ACKNOWLEGE THAT BUYERS HAVE RECEIVED WRITTEN INFORMATION REGARDING THE HOME WARRANTY DISPUTE RESOLUTION PROCESS PURSUAN TO MINN. STAT. 327A.051

27. IMPORTANT HEALTH NOTICE:

"IMPORTANT HEALTH NOTICE.

SOME OF THE BUILDING MATERIALS USED IN THIS HOME (OR THESE BUILDING MATERIALS) EMIT FORMALDEHYDE. EYE, NOSE, AND THROAT IRRITATION, HEADACHE, NAUSEA AND A VARIETY OF ASTHMA-LIKE SYMPTOMS, INCLUDING SHORTNESS OF BREATH, HAVE BEEN REPORTED AS A RESULT OF FORMALDEHYDE EXPOSURE. ELDERLY PERSONS AND YOUNG CHILDREN, AS WELL AS ANYONE WITH A HISTORY OF ASTHMA, ALLERGIES, OR LUNG PROBLEMS, MAY BE AT GREATER RISK. RESEARCH IS CONTINUING ON THE POSSIBLE LONG-TERM EFFECTS OF EXPOSURE TO FORMALDEHYDE.

REDUCED VENTILATION MAY ALLOW FORMALDEHYDE AND OTHER CONTAMINANTS TO ACCUMULATE IN THE INDOOR AIR. HIGH INDOOR TEMPERATURES AND HUMIDITY RAISE FORMALDEHYDE LEVELS. WHEN A HOME IS TO BE LOCATED IN AREAS SUBJECT TO EXTREME SUMMER TEMPERATURES, AN AIR-CONDITIONING SYSTEM CAN BE USED TO CONTROL INDOOR TEMPERATURE LEVELS. OTHER MEANS OF CONTROLLED MECHANICAL VENTILATION CAN BE USED TO REDUCE LEVELS OF FORMALDEHYDE AND OTHER INDOOR AIR CONTAMINANTS.

IF YOU HAVE ANY QUESTIONS REGARDING THE HEALTH EFFECTS OF FORMALDEHYDE, CONSULT YOUR DOCTOR OR LOCAL HEALTH DEPARTMENT."

28. **CLOSING.** Closing shall be held on or before September 20, 2021, at the office of the title company, or at some other mutually agreeable location. At closing, Seller and Buyers shall disclose their Social Security Numbers or Federal Tax Identification Numbers for the purposes of completing state and federal tax forms.

29. **CLOSING COSTS.** The costs of closing, if not determined by other provisions of this Agreement, shall be paid by the Buyers.

A. **SELLER'S COSTS.** Seller shall pay the following at closing:

(1) Document preparation costs, recording fees for documents necessary to establish good and marketable title in Seller's name.

(2) Document preparation costs for Seller's deed, Certificate of Real Estate Value, Seller's affidavit, Well Disclosure Certificate (if required), and any ancillary documents necessary to transfer good and marketable title by Seller's deed.

(3) Deed tax on Seller's deed and, in the metropolitan area, the Agricultural Preservation deed tax charged under MINN. STAT. §40A.152.

(4) One-half of the title closer's fee.

B. **BUYERS' COSTS.** Buyers shall pay the following at closing:

(1) Document filing fee for a Well Disclosure Certificate, if applicable.

(2) Cost to record the General Warranty Deed.

(3) One-half of the title closer's fee.

(4) Title insurance policy premium, if any.

30. **DEFAULT.** If Buyers default, Seller may terminate this Purchase agreement, and any payments made here, including earnest money, shall be retained by the Seller as liquidated damages and Buyers and Seller shall affirm the same by a written cancellation agreement.

If Buyers default, Seller may terminate this Purchase Agreement, under the provisions of either Minn. Stat. 559.21 or Minn. Stat. 559.217, whichever is applicable. If either the Buyers or Seller defaults under this Purchase Agreement or there exists an unfulfilled condition after the date specified for fulfillment, either party may cancel this Purchase Agreement under Minn. Stat. 559.217, subd. 3. Whenever it is provided here that this Purchase Agreement is cancelled, said language shall be deemed a provision authorizing a Declaratory Cancellation under Minn. Stat. 559.217, subd. 4.

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

31. **TIME IS OF THE ESSENCE.** Time is of the essence for all provisions of this Agreement.

[remainder of page intentionally left blank]
[signature pages to follow]

I agree to sell the property for the price, terms and conditions set forth above.

SELLER:
CITY OF NORTH ST. PAUL HOUSING AND REDEVELOPMENT AUTHORITY

By:______________________________

______________________________, Chair

AND:______________________________
Brian Frandle, Executive Director

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

BUYERS:

Authentisign
Ana Reynoso Morales 08/19/2021
8/19/2021 7:47:36 PM CDT
Ana Reynoso Morales

Authentisign
Ismael Reynoso Arellano 08/19/2021
8/19/2021 7:48:28 PM CDT
Ismael Reynoso Arellano

COLDWELL BANKER REALTY

ADDENDUM TO PURCHASE AGREEMENT

Date **September 10th, 2021**
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Addendum to Purchase Agreement between parties, dated **August 19 2021**, pertaining to the purchase and sale of the Property at **2198` 2nd St N**
North Saint Paul MN 55109.

In the event of a conflict between this Addendum and any other provision of the Purchase Agreement, the language in this Addendum shall govern.

1.The purchase agreement for the above address is contingent upon the sale of the buyer(s) (Ismael Reynoso Arellano and Ana Reynoso Morales) property at 105 13th Ave S, South Saint Paul, MN 55075, which is listed for sale on the MLS as of August 13, 2021. 105 13th Ave S does have an offer with a closing date of October 15th.

2.Change Purchase Price to $363,000.

3.Buyer(s) (Ismael Reynoso Arellano and Ana Reynoso Morales)agree to pay real estate broker Coldwell Banker/Agent Tim Hoelzel with Coldwell Banker a fee of 1% ($3,630) of the purchase price $363,000 on successful closing of the property located at 2198 2nd St N North Saint Paul, MN 55109.

4. Closing Date of October 15th, 2021 for 2198 2nd St N North Saint Paul, MN 55109.

(Seller)	(Date)	AuthentiSIGN *Ana Reynoso Morales* 9/10/2021 12:48:16 PM CDT (Buyer)	09/10/2021 (Date)
(Seller)	(Date)	AuthentiSIGN *Ismael Reynoso Arellano* 9/10/2021 12:48:39 PM CDT (Buyer)	09/10/2021 (Date)

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