

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (“Agreement”) entered into this ____ day of _____, 2024, which is the date this Agreement is fully executed by both Seller and Buyer (“Effective Date”), between Park Grove Christian Center Assembly of God, Cottage Grove, MN, a Minnesota nonprofit corporation, dba Light the Way Church, formerly known as Park Grove Christian Center, Inc. (“Seller”), and Independent School District No. 833, South Washington County Schools (“Buyer”).

1. **Property Subject to Sale.** Subject to the terms and conditions hereinafter set forth and for the consideration stated herein, Seller agrees to sell, assign and convey, and Buyer agrees to purchase and accept from Seller, all of Seller’s right, title and interest in and to the following described property (collectively, the “Property”):

- (a) The land located at 7000 Jamaica Ave. S., Cottage Grove, Minnesota containing approximately 3.7 acres, identified by Washington County parcel identification number 1002721220001 together with all hereditaments and easements appurtenant thereto, legally described as:

See Exhibit A (the “Land”)

- (b) The improvements and fixtures (excluding trade fixtures) in, upon and under the Land, including without limitation, the buildings located thereon (the “Improvements”); and
- (c) All Seller’s right, title and interest in and to all assignable licenses, permits, certificates, approvals, authorizations and variances issued for or with respect to the Land and Improvements by any governmental authority and/or third party to the extent assignable (the “Licenses”).

No non-building system equipment, furniture, trade fixtures, inventory, appliances or other personal property (“Personal Property”) is included in the definition of Property.

2. **Purchase Price; Earnest Money.** The purchase price for the Property (the “Purchase Price”) shall be One Million Seven Hundred Thousand and No/100 Dollars (\$1,700,000.00). Buyer shall pay the Purchase Price as follows:

- (a) Earnest Money Deposit. As the earnest money deposit and in part payment of the Purchase Price, Buyer shall deposit into escrow with First American Title Insurance Company, Minneapolis (the “Title Company”), the sum of fifty thousand and No/100 Dollars (\$50,000.00) within five (5) business days of the Effective Date of this Agreement (the “Earnest Money Deposit”).
- (b) Balance of Purchase Price. Buyer shall pay the balance of the Purchase Price (subject to adjustments, and the prorations and obligations of each party as set forth in this Agreement), in full to Seller at the Closing. Payment shall be made in immediately available U.S. funds.

3. **Seller's Deliveries and Buyer's Investigation.**

- (a) Seller's Deliveries. Within ten (10) days after the Effective Date hereof, Seller shall deliver to Buyer, to the extent said documents are within Seller's custody or control, true copies of the following records (or in the event the size or bulk of the items make it impractical to deliver, Seller shall make appropriate arrangements for Buyer to review such documents and records at a location reasonably acceptable to Buyer and Seller): (i) all building permits, surveys, site plans, architectural plans and elevations, certificates of occupancy, rental licenses, notices of completion, soil reports, engineering or laboratory or other technical reports relating to the Property or any condition on or affecting the Property; (ii) any and all environmental audits, tests or reports and other similar documents regarding the environmental condition of Property, including all Phase I, II, letters from the Minnesota Pollution Control Agency, and any other records or reports concerning the physical condition of the Property created within thirty-six (36) months prior to the Effective Date; (iii) geotechnical reports and plans; (iv) building plans; (v) any leases, tenancies, or other right of occupancy, which currently affect all or any portion of the Property and a current rent roll for the Property; (vi) any notices, or other documents pertaining to any existing violation or alleged violation of any government laws, codes, or ordinances; (vii) intentionally deleted; (viii) any title records, including existing owner's policy; (ix) current equipment leases, management agreements, concession agreements, labor agreements, supply agreements, service contracts, vendor contracts, and other contracts entered into for or with respect to the Property and/or the ownership, operation, management, care, and maintenance of the Property; (x) list of capital improvements completed within the thirty-six (36) months prior to the Effective Date; (xi) intentionally deleted; and (xii) utilities documents, including a list of meters on the Property with corresponding bills in the thirty-six (36) months prior to the Effective Date.
- (b) Title Insurance; Title Objections. Within three (3) business days of the Effective Date, Seller, at its sole cost and expense, shall order, and upon receipt, deliver to Buyer a current title insurance commitment issued by the Title Company, including copies of all recorded exceptions to title referred to therein, and including searches covering bankruptcies, state and federal judgments and liens, real estate taxes, and levied and pending special assessments, committing to insure title to the Property in Buyer, in the amount of the Purchase Price, by issuance of an ALTA policy of title insurance (the "Title Commitment"). Buyer may, at Buyer's sole cost and expense, obtain an ALTA/NSPS survey ("Survey"). Buyer shall have until forty-five days after the Effective Date to object to matters evidenced by the Title Commitment or Survey ("Title Objection"); said objections shall be timely made in writing or are deemed to be waived. Upon Buyer's proper notice of a Title Objection, Seller may, but shall not be required to, attempt to cure the Title Objection. Seller may provide written notice to Buyer in response that classifies each Title Objection as follows: (a) those Title Objections that will be insured over or resolved by the Title Company upon issuance of the title policy at Closing; or (b) those Title Objections that Seller will attempt to cure that will not be insured over or resolved by the Title Company upon issuance of the title policy at Closing; or (c) those Title Objections that Seller will not attempt to cure.

For those Title Objections that Seller either provides (i) notice that the Title Objections shall be insured over or resolved by the Title Company upon issuance of the title policy at Closing, or (ii) notice that it shall not attempt to cure, Buyer shall either assume responsibility for resolution of such Title Objection or shall, in its sole discretion and as its sole remedy, elect one of the following options by written notice to Seller within five (5) days after Seller provides notice: (A) waive the Title Objection, accept title subject to the Title Objection, and proceed to Closing, in which event Seller and Buyer shall remain obligated to perform pursuant to the terms of this Agreement with no reduction in the Purchase Price; or (B) terminate this Agreement by sending written notice to Seller, and upon such notice, this Agreement shall terminate and the Earnest Money shall be returned to Buyer. For those Title Objections that Seller provides notice that it shall attempt to cure, Seller shall have up to thirty (30) days thereafter to attempt to cure the Title Objection. If Seller does not cure the Title Objection within the time period, or if Seller provides notice to Buyer that it will no longer attempt to cure the Title Objection, Buyer shall, in its sole discretion and as its sole remedy, elect one of the following options by written notice to Seller within five (5) days after Seller provides notice: (aa) waive the Title Objection, accept title subject to the Title Objection, and proceed to Closing, in which event Seller and Buyer shall remain obligated to perform pursuant to the terms of this Agreement with no reduction in the Purchase Price; (bb) agree with Seller to allow Seller additional time to cure the Title Objection during which time the closing shall be extended as necessary; or (cc) terminate this Agreement by sending written notice to Seller, and upon such notice, this Agreement shall terminate and the Earnest Money shall be returned to Buyer. If Buyer provides proper notice of a Title Objection and Seller does not respond in writing within five (5) days thereafter, then Buyer shall, in its sole discretion and as its sole remedy, elect one of the following options by written notice to Seller within five (5) days after the expiration of the five (5) day period for Seller to respond: (A) waive the Title Objection, accept title subject to the Title Objection, and proceed to closing, in which event Seller and Buyer shall remain obligated to perform pursuant to the terms of this Agreement with no reduction in the Purchase Price; or (B) terminate this Agreement by sending written notice to Seller, and upon such notice, this Agreement shall terminate and the Earnest Money shall be returned to Buyer. In the event that Buyer does not provide notice electing one of the options above within the applicable five (5) day period, Buyer shall be deemed to waive the Title Objection. Any matter shown on the Title Commitment that is not objected to or is objected to and not cured shall be a "Permitted Encumbrance".

Notwithstanding anything to the contrary contained in this Agreement, Seller shall satisfy, release or cure at Closing any liens of an ascertainable amount encumbering the Property that are created, assumed or otherwise caused by Seller such as mortgages, deeds of trust, mechanic's liens, judgment liens, utility liens and past due tax liens.

- (c) Due Diligence Period; Inspection of Property. For one hundred twenty (120) days following the Effective Date (the "Due Diligence Period"), or any earlier date of termination of this Agreement, Buyer and Buyer's agents, employees, engineers, surveyors and consultants (collectively, "Buyer's Designees") shall be permitted to conduct noninvasive investigations of the Property and Improvements and all matters relevant to its acquisition, ownership, operation, value, use and enjoyment,

all at its sole cost and expense (“Inspections”). Such right of Inspections shall include, without limitation, Buyer’s right to have made any noninvasive studies, surveys, tests or inspections of the Property that Buyer may deem necessary or appropriate. Seller shall reasonably cooperate with the Inspections made by Buyer. Buyer shall provide a minimum of twenty-four (24) hour notice to Seller of intent to access the Property, and Seller shall have the right to accompany Buyer during any and all Inspections. Buyer is responsible for any damages caused by Buyer’s or Buyer’s Designees’ Inspections and is required to return the Property and Improvements to the condition in which they existed prior to the Inspections. Buyer shall pay all costs and expenses of the Inspections. Buyer agrees to indemnify, defend and hold Seller and the Property harmless from all claims, costs, expenses or damages, including reasonable attorneys’ fees, for damages and injuries resulting from the Inspections. The provisions of this Section shall survive and be enforceable after Closing and delivery of the deed or any termination of this Agreement. During the Due Diligence Period, Buyer may terminate this Agreement for any reason by providing written notice to Seller, upon timely notice of termination, the Earnest Money paid hereunder shall be immediately refunded to Buyer.

- (d) No Assumption of Pre-Existing Liabilities. Buyer shall not assume any liability or obligation for any of the following: (i) federal, state and local income, franchise, sales, payroll or other taxes (other than real estate taxes, special assessments, water and sewer charges, and other charges that are certified with real estate taxes, which shall be prorated as of the Closing) of Seller or for which Seller is liable, including any interest and/or penalties thereon; (ii) any liability the existence of which would constitute a breach of any of Seller’s representations or warranties contained in this Agreement during the Survival Period; (iii) the obligations or liabilities of Seller under any agreements incurred prior to the Closing Date including, but not limited to, any management, maintenance or other agreement relating directly or indirectly to the Property or its operation or any and all contracts; (iv) any litigation concerning any portion of the Property or the operation of the improvements (if any) filed or arising from events occurring prior to the Closing; (v) any issues relating to employees of Seller, including, without limitation, the payment of all employment taxes, FICA and other similar items; and (vi) any sales tax relating to any transaction occurring prior to the Closing.

4. **Representations and Warranties.** Seller hereby warrants and represents to Buyer as follows:

- (a) To Seller’s knowledge, and except as shown in the Title Commitment, there are not any pending or levied special assessments or outstanding obligations (contingent or otherwise) (collectively “Assessments”) with respect to the Property or any part thereof, nor are there any pending condemnation actions, nor has Seller any knowledge of any Assessments or condemnation actions being contemplated or threatened; nor has Seller received any notice of any possible Assessment; nor has any governmental agency served any notice on Seller or its agents requiring alteration or correction of any existing conditions of the Property;
- (b) To Seller’s knowledge, there is no litigation pending or threatened against Seller or the Property and Seller has performed all obligations required to be performed

of it in connection with the Property and Seller is not in default under any contract, agreement, lease, or other agreement relating to the Property;

- (c) This Agreement has been, and all the documents required in connection with the conveyance of the Property to be delivered by Seller to Buyer at Closing will be, duly authorized, executed, and delivered by Seller and are or will be legal, valid, and binding obligations of Seller and the conveyance of the Property will not violate any applicable statutes, ordinances, restrictions and/or agreements;
- (d) Seller is not a “foreign person” within the meaning of Sections 1445(f)(3) and 7701(a)(30) of the Internal Revenue Code and that Seller will furnish to Buyer, at or prior to Closing, an affidavit in form satisfactory to Buyer confirming the same;
- (e) There are no (nor will there be at Closing) any outstanding leases, agreements, or contracts, which are not fully and completely cancelable by Seller;
- (f) Intentionally deleted;
- (g) To Seller’s knowledge, except as otherwise disclosed to Buyer through Buyer’s due diligence, the Property has not been used for any disposal, storage, treatment, processing or other handling of, and there is otherwise no presence on the Property of, any Hazardous Materials in violation of Environmental Laws (hereinafter defined). As used herein, the term “Hazardous Material” shall mean any hazardous or toxic waste, substance or material in any composition or quantity (i) which violates any currently existing standards, guidelines, limitations or requirements arising under any federal, state or local law pertaining to environmental protection (“Environmental Laws”), or (ii) which is customarily remediated, or recommended to be remediated, under prevailing standards in the environmental engineering industry;
- (h) Intentionally deleted;
- (i) To Seller’s knowledge, all installation and connection fees and charges for all utilities servicing the Property, including, without limitation, electricity, gas, water, sewer, and telephone have been paid in full;
- (j) Seller has no knowledge of any fact, condition, or action, presently contemplated, or threatened, which would or may result in the termination or impairment of access to and from the Property as such access presently exists, and to Seller’s knowledge, Seller is not in violation of any easements, rights-of-way, conditions, covenants and restrictions, licenses or other agreements burdening the Property;
- (k) Except as shown in the Title Commitment, as of Closing, no persons or entities other than Buyer shall have any right to possession or use of the Property by, through or under Seller for any reason whatsoever;
- (l) Other than those agreements disclosed to Buyer in writing pursuant to Section 3(a) and except as shown in the Title Commitment, Seller has no knowledge of any service or other contracts, agreements or equipment leases relating to the operation, maintenance, service, repair or management of the Property;

- (m) Seller has no knowledge of any underground storage tanks or septic systems on the Property;
- (n) Seller has no knowledge of any wells on the Property except the well set forth on Exhibit B.
- (o) No methamphetamine production has occurred on the Property.

Each of the representations, covenants and warranties contained in this Agreement are acknowledged by Seller to be material and to be relied upon by Buyer in proceeding with the transaction contemplated herein, shall be deemed to have been remade by Seller as of the Closing Date. The express representations and warranties made in this Agreement shall not merge into any instrument or conveyance delivered at the Closing, and as such, shall survive the closing of this transaction for a period of six (6) months ("Survival Period"). No representation or warranty made herein by Seller, nor any statement, information or document given or to be given by Seller to Buyer contains any untrue statement of material fact or omits to state a material fact necessary to make the statements contained herein not misleading. If Seller or Buyer learns that any of said representations or warranties has become inaccurate between the Effective Date and the Closing Date, Seller or Buyer, as applicable shall immediately notify the other party in writing of such change. Seller shall have ten (10) days after delivery of such written notice to cure such change and, if the Closing Date is scheduled to occur during such ten-day period, the Closing Date shall be automatically extended for the number of days required to allow the Seller such ten-day cure period. If Seller cures such change, then this Agreement shall proceed to Closing pending satisfaction of the other conditions to Closing. If Seller does not cure such change within such ten-day cure period, and the change is not due to a Seller default, Buyer shall elect by written notice delivered to Seller within seven (7) business days after the expiration of Seller's ten-day cure period to either (a) terminate this Agreement by written notice to Seller and receive refund of the Earnest Money, and upon such refund, neither party shall have any further obligation to the other except as to provisions herein which expressly survive termination, or (b) waive such right to terminate and proceed with the transaction pursuant to the remaining terms and conditions of this Agreement, and such representation or warranty shall be deemed modified hereunder. If Buyer fails to provide written notice of its election under the preceding sentence within the applicable seven-day period, Buyer shall be deemed to have elected to proceed under clause (b) of the preceding sentence.

5. **As-Is Sale and Release.** Subject only to the express representations and warranties made in Section 4, Buyer is purchasing the Property "as is" and "where is" based on its own investigation and inquiry and is not relying on any representation or warranty of Seller. Subject only to the express representations and warranties made under this Agreement, Buyer waives any and all warranties pertaining to the Property whether express, implied, statutory or other. Subject only to the express representations and warranties made under Section 4, Buyer hereby forever waives, releases and covenants not to bring any demand, claim, cost recovery action or lawsuit it may now or hereafter have or accrue against Seller, its directors, officers, partners, members, employees, agents, successors and assigns arising from any environmental release or environmental matter related to the Property, including, but not limited to: (a) any hazardous substances currently located or which come to be located in the Building or within the Property; or (b) the release of any hazardous substances into, from or through the Property, whether or not attributable to the handling, storage, generation, transportation or disposal of hazardous substances or the mere presence of hazardous substances within the Property; or (c) any hazardous substances which have migrated, leached or traveled onto or off of the Property from any source. This provisions of this Section shall survive and be enforceable for an unlimited period after the date of Closing and delivery of the deed

6. **Covenants of Seller.** Seller hereby covenants to Buyer as follows:

- (a) Operation of the Property. Until Closing or the earlier termination of this Agreement, Seller shall:
 - (i) Not do anything, nor permit or suffer anything to be done, which would impair or modify the status of title as shown on the Title Commitment;
 - (ii) Operate and maintain the Property in substantially the same manner as it was being operated and maintained prior to this Agreement;
 - (iii) Maintain all licenses, rental agreements, and leases in full force and effect and perform in a timely manner all of Seller's obligations under the rental agreements, licenses, leases, and all other material obligations relating to the ownership, use and operation of the Property; without limitation on the generality of the foregoing, Seller shall promptly pay all utilities, charges, trade payables, and other operating expenses in the ordinary course of the operation of the Improvements and/or the Property, as the same become due and owing; and
 - (iv) Not enter into or modify any new or existing lease, agreements, contracts, rental agreements which are not cancelable by Seller prior to Closing, or following Closing, will be binding upon Buyer or the Property without, in each instance, obtaining the prior written approval of Buyer, which approval may be withheld in Buyer's sole discretion;
- (b) Termination of Agreements. As of or prior to Closing, Seller shall terminate all service contracts, agreements, and/or contracts relating to the Property, and Seller shall bear all termination fees or charges or other remaining obligations or liabilities attributable to these terminated agreements. Buyer may waive Seller's Termination of Agreements covenant upon written notice of the specific service contract, agreement, and/or contract which it does not want terminated.
- (c) Cooperation. Seller agrees to reasonably cooperate with Buyer after the Closing to provide for the orderly transition of ownership of the Improvements, including, without limitation, the communication with vendors and suppliers, employees, governmental authorities and other parties.

7. **Buyer's Representations, Warranties and Covenants.**

- (a) Buyer is a public school corporation under the laws of the State of Minnesota and has full right, power, and authority to enter into this transaction.
- (b) The persons signing this Agreement on behalf of Buyer have been duly authorized to sign this Agreement and to bind the Buyer.
- (c) The signing of this Agreement, and the performance of the obligations and duties imposed upon Buyer by this Agreement, will not violate or cause a breach in any other agreement, arrangement, order or ordinance to which Buyer is a party or to which it is subject.

8. **Contingencies and Conditions.**

9. During the Due Diligence Period, Buyer shall have the right to do the following, at its sole discretion, and to determine that the Property is satisfactory for its purposes:

- (a) Site Approval. Inspect the Property and determine that it is satisfactory for its intended use in accordance with Section 3(c). Notwithstanding the above, Seller shall be under no obligation to make any repair or modification to the Property or the Improvements. Buyer is purchasing the Property and Improvements “as is”.
- (b) Environmental. Perform such noninvasive environmental tests and inspections it deems fit in accordance with Section 3(c). Buyer may, at its sole discretion, obtain environmental reports so that Buyer may assess the environmental condition of the Property. Buyer shall pay all costs and expenses relating to the testing of the Property and shall indemnify and hold Seller harmless from such expenses. Buyer shall obtain Seller’s prior written permission to conduct any invasive tests on the Property, and Seller withhold said permission in Seller’s sole discretion. Buyer is responsible for any damages caused by its inspection, tests, etc., and is required to return the Property to the condition in which it existed prior to the inspections, tests, etc.
- (c) Regulatory and Land Use Approvals. Determine that zoning and other governmental requirements are sufficient to allow Buyer to conduct its intended business in the Property and, as necessary, obtain all licenses, permits, and other authorizations needed to utilize the property as intended by Buyer, provided that such licenses, permits and other authorizations shall only be effective after Closing.
- (d) Plans and Drawings. Review all constructions plans, including architectural, mechanical, and electrical plans and be satisfied with them.
- (e) Records. Review the other records provided by Seller pursuant to section 3(a) of this Purchase Agreement and be satisfied with them.

10. **Closing Date and Closing Documents.**

- (a) Closing Date. The closing (the “Closing”) shall occur within thirty (30) days of the end of the Due Diligence Period (“Closing Date”). The Closing shall take place at the Title Company’s Minneapolis office or by deposit of the closing documents and Purchase Price in escrow with Title Company. Seller shall deliver possession of the Property on the Closing Date immediately following the Closing.
- (b) Closing Documents.
 - (i) Seller shall deliver or cause to be delivered to Title Company at the Closing the following:
 - (1) Special Warranty Deed. A special warranty deed conveying title to Buyer subject to the following exceptions: (a) building and zoning laws, ordinances and state and federal regulations; (b) utility and drainage easements which do not interfere with the Improvements; (c) reservation of any mineral or

mineral rights to the State of Minnesota, if applicable; (d) Permitted Encumbrances; (e) any matter that would be shown by an current and accurate ALTA/NSPS survey; and (f) a lien for real estate taxes and special assessments not yet due and payable in the year of Closing.

(2) Well Disclosure Certificate. A well disclosure certificate on the current form required by the Minnesota Department of Health.

(3) Assignment and Assumption Agreement. An assignment and assumption agreement conveying to Buyer all of Seller's rights, title, and interest in and to the Licenses ("Assignment and Assumption Agreement").

(4) Non-Foreign Affidavit. An affidavit confirming that Seller is not a "foreign person," "foreign partnership," "foreign trust," or "foreign estate," as those terms are defined in Section 1445 of the Internal Revenue Code.

(5) Closing Statement. A closing statement in form and substance acceptable to both Seller and Purchaser, and consistent with the terms, provisions and conditions of this Agreement (the "Closing Statement").

(6) ECRV. The information necessary for Title Company to complete Seller's information in the electronic certificate of real estate value.

(ii) Buyer shall deliver or cause to be delivered to Title Company at the Closing the following:

(1) Purchase Price. The Purchase Price, plus or minus prorations and other adjustments, if any, consistent with the terms, provisions and conditions of this Agreement, in cash or by wire transfer of immediately available funds.

(2) Resolution. Certified copies of resolutions, duly adopted by the School Board of the Buyer, which shall be in full force and effect at the time of the Closing, authorizing the execution, delivery and performance by the Buyer of this Agreement and the consummation of the transactions contemplated hereby.

(3) Assignment and Assumption Agreement. Buyer's counterpart signature to the Assignment and Assumption Agreement.

(4) Closing Statement. Buyer's counterpart signature to the Closing Statement.

(5) ECRV. The information necessary for Title Company to complete Buyer's information in the electronic certificate of real estate value.

11. **Adjustments and Prorations.** The following adjustments and prorations shall be made as of the Closing Date.

(a) Taxes and Special Assessments. Real property taxes and any special charges certified therewith due and payable in the year of Closing shall be prorated to the Closing Date, with Seller responsible for the prorated costs prior to and including

the Closing Date. Seller shall be responsible for special assessments levied or pending as of the Effective Date.

- (b) Utilities and Rents. All utilities and rents in connection with the Property shall be prorated to the Closing Date.
- (c) Closing Costs. Seller shall pay the cost of recording any instruments required to discharge any liens or encumbrances against the Property, any real estate transfer or deed tax, the well disclosure certificate fee, and Seller's customary closing costs. Buyer shall pay for all premiums for title insurance and endorsements, the fee for recording the Deed, and Buyer's customary closing costs. Each party shall pay for its own legal, accounting, or other advisors' costs. Buyer and Seller shall split escrow fees evenly.
- (d) Intentionally deleted.
- (e) Operating Expenses. All current operating expenses for the Property shall be prorated to the Closing Date.

12. **Casualty Damage.** In the event that the Property or any portion thereof shall be materially damaged by any casualty occurring prior to Closing, Buyer may, at Buyer's option, terminate this Agreement by providing written notice of such termination to Seller within fifteen (15) days of the material casualty and all Earnest Money paid hereunder shall be immediately refunded to Buyer. If Buyer does not terminate within such period, Buyer will be deemed to have waived its ability to terminate this Agreement under this Section. "Materially damaged" means the damage will cost at least \$100,000 to repair as determined by Seller's contractor. Seller shall promptly give Buyer written notice of any such casualty occurrence. If Buyer elects to consummate the transaction, Buyer shall be entitled to any and all insurance proceeds payable to Seller as a result of such casualty that are attributable to the cost to repair the Property, regardless of whether such proceeds are payable prior to, on or after the Closing Date. In the event Buyer elects to consummate this transaction, Seller agrees that it will not make any adjustment or settlement of any insurance proceeds without Buyer's prior written consent, which may be withheld in Buyer's discretion.

13. **Condemnation.** If prior to Closing there arises any actual or threatened condemnation or exercise of eminent domain for the taking of all or any part of the Property, or any actual or threatened proceeding for the closure or impairment of access to the Property, Seller shall promptly notify Buyer upon becoming aware of the same. Buyer at its election may then terminate this Agreement within fifteen (15) days of Seller's notice and the Earnest Money paid hereunder shall be immediately refunded to Buyer. If Buyer does not terminate within such period, Buyer will be deemed to have waived its ability to terminate this Agreement under this Section. If Buyer shall not elect to so terminate this Agreement, this Agreement shall remain in full force and effect in accordance with its other provisions and if the sale and purchase contemplated hereunder closes, Buyer shall be entitled to any and all condemnation awards or similar compensation payable to Seller as a result of such condemnation, regardless of whether such awards or compensation are payable prior to, on or after the Closing Date.

14. **Environmental.** In the event that Seller discloses actual or threatened contamination of the Property to Buyer or if Buyer's environmental testing discloses actual or threatened contamination, then Buyer, at its election, may either terminate this Agreement during the Due Diligence Period and receive a full refund of all Earnest Money paid or proceed with the transaction contemplated hereby.

15. **Broker and Commissions.** Each party agrees to defend, indemnify, hold the other harmless of and from any and all claims, loss, liabilities and expenses (including, but not limited to,

reasonable attorneys' fees) incurred by the indemnified party arising out of, or resulting from, any claim by any broker or finder to the extent based upon any statement, representation or agreement made by the indemnifying party. The provisions of this Section 14 shall survive Closing.

16. **Default.**

- (a) Buyer Default. IF BUYER FAILS TO CLOSE THE PURCHASE OF THE PROPERTY FOR ANY REASON OTHER THAN SELLER'S DEFAULT OR PURSUANT TO A REASON LISTED IN THIS AGREEMENT, THEN SELLER MAY, AT ITS SOLE DISCRETION, TERMINATE THIS AGREEMENT AND RETAIN THE EARNEST MONEY AS LIQUIDATED DAMAGES AND PROCEED AGAINST BUYER FOR A MONEY JUDGMENT UP TO THE EARNEST MONEY AMOUNT TO REIMBURSE SELLER FOR ITS THIRD-PARTY OUT OF POCKET COSTS OR SEEK SPECIFIC PERFORMANCE OF THIS AGREEMENT WITHIN ONE HUNDRED EIGHTY (180) DAYS OF THE DEFAULT.
- (b) Seller Default. IF SELLER FAILS TO CLOSE THE SALE OF THE PROPERTY FOR ANY REASON OTHER THAN BUYER'S DEFAULT OR PURSUANT TO A REASON LISTED IN THIS AGREEMENT, THEN BUYER MAY, AT ITS SOLE DISCRETION AND AS ITS SOLE REMEDY, TERMINATE THIS AGREEMENT AND HAVE THE EARNEST MONEY RETURNED AND PROCEED AGAINST SELLER FOR A MONEY JUDGMENT UP TO THE EARNEST MONEY AMOUNT TO REIMBURSE BUYER FOR ITS THIRD-PARTY OUT OF POCKET COSTS OR SEEK SPECIFIC PERFORMANCE OF THIS AGREEMENT WITHIN ONE HUNDRED EIGHTY (180) DAYS OF THE DEFAULT.

17. **General Provisions.** The parties further agree as follows:

- (a) Time. Time is of the essence for this Agreement.
- (b) Attorneys' Fees. In the event either Buyer or Seller commences any legal proceeding to enforce this Agreement or any provisions contained herein, the prevailing party shall be entitled to recover, in addition to all other remedies or damages, reasonable attorneys' fees and costs incurred in such proceeding. The provisions of this Section 16(b) shall survive the cure of any judgment, and shall not merge, or be deemed to have merged, into any judgment.
- (c) Entire Agreement. No change or modification of this Agreement shall be valid unless the same is in writing and signed by the parties hereto. This Agreement contains the entire agreement between the parties relating to the purchase and sale of the Property. All prior negotiations between the parties are merged in this Agreement and there are no promises, agreements, conditions, undertakings, warranties or representations, oral or written, express or implied, between the parties other than as set forth herein.
- (d) Governing Law. This Agreement shall be construed and enforced in accordance with laws of the State of Minnesota.

- (e) Survival. All of the parties' representations, warranties, covenants and agreements hereunder, to the extent not fully performed or discharged through the Closing, shall not be deemed merged into any instrument delivered at that Closing and shall remain fully enforceable thereafter and shall survive Closing to the extent and subject to the limitations otherwise provided in this Agreement.
- (f) Notices. Any notice required or permitted pursuant to this Agreement shall be in writing and delivered by (a) personal delivery, (b) reputable overnight delivery service, (c) United States mail, postage prepaid, either certified or first class mail, or (d) email. Any notice by email shall be followed by delivery by one of the other means, which delivery by such other means shall not be subject to timing deadlines. All notices shall be sent to a party at the address set forth below, or to such other address or person as the party shall have designated in writing. Notices shall be deemed given upon the earlier of the date of actual receipt or (i) as of the earlier of the date of delivery or the date of first attempted delivery if by personal delivery or overnight delivery, or (ii) as of the earlier of the date of delivery or the date the post office first leaves notice of the mailing if by certified mail, or (iii) upon receipt by email as evidenced by a receipt transmission report.

IF TO SELLER:

Light The Way Church
P.O. Box 216
Cottage Grove, MN 55106
Attn: John Magee

With a copy to:

Taft Stettinius & Hollister LLP
Attn: Brieanna Maershbecker
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402
Phone: (612) 977-8884
Email: bmaershbecker@taftlaw.com

IF TO BUYER:

Attn: _____

- (g) Headings. The headings, which appear in some of the Sections of this Agreement, are for purposes of convenience and reference and are not in any sense to be construed as modifying the Sections in which they appear.
- (h) Assignment. Neither this Agreement nor any of the rights or obligations of Seller or Buyer hereunder shall be transferred or assigned by Seller or Buyer without the prior written consent of the non-assigning party, except that Buyer may assign its rights under this Agreement to any related third party or entity prior to Closing

provided that such assignment shall not relieve Buyer of its obligations and duties hereunder.

- (i) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective personal representatives, successors and assigns.
- (j) Waivers. No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision herein contained. No extension of time for performance of any obligation or action shall be deemed an extension of the time for performance of any other obligation or act.
- (k) Dates. In computing any period of time under this Agreement, the day of the act or event from which the specified period begins to run shall not be counted or included in such period. The last day of the period is counted and included in such period, unless it is a Saturday, Sunday or legal holiday, in which case the period will run until the end of the next day that is not a Saturday, Sunday or legal holiday.
- (l) Severability. If any provision of this Agreement is held to be unenforceable or void, such provision shall be deemed to be severable and shall in no way affect the validity of the remaining terms of this Agreement.
- (m) Counterparts. This Agreement may be executed separately and independently in any number of counterparts and each and all of which together shall be deemed to have been executed simultaneously and regarded as one agreement dated the Effective Date.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below.

SELLER:

Park Grove Christian Center Assembly of God, Cottage
Grove, MN, a Minnesota nonprofit corporation

By: _____
Its: _____

BUYER:

INDEPENDENT SCHOOL DISTRICT NO. 833,
SOUTH WASHINGTON COUNTY SCHOOLS

By: _____
Its: _____

Exhibit A

Property Legal Description

Outlot A, Pinetree Pond East, according to the plat thereof on file and of record in the office of the County Recorder in and for Washington County, Minnesota.

Exhibit B

Well Disclosure Statement

[to be completed and inserted by Seller prior to signing]