

Nicollet Restoration, Inc.

2626 31st Avenue South
Minneapolis, MN 55406
612-729-8770

October 1, 2003

Andrew Riverside Presbyterian Church
1316 4th Street Southeast
Minneapolis, MN 55414

To Whom It May Concern:

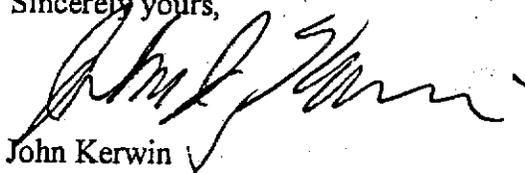
Enclosed please find a purchase agreement for your church property at 729 4th Street Southeast.

This building can be stabilized, repaired, and strengthened. It can have further centuries of beneficial use. We can do this using the techniques that we applied to the Grove Street Flats on Nicollet Island, a building of essentially identical construction with essentially identical problems.

Please note that the purchase agreement provides two clauses that would allow the church to re-establish itself in the property in the future should it ever desire.

We would appreciate a reply within a week. We understand that time is of the essence. Should you wish to continue discussing the option we suggested (outright purchase with no reversion for \$100,000) or the option you suggested (gift with partial lease-back), please get in touch.

Sincerely yours,



John Kerwin

Enclosure: Purchase agreement

cc: Reverend Harry Mahackean
Lorna Jones
Scott Severson
Charles Liddy
James Lynden

My Document's/John's/Andrew Riverside Purchase 100103

BCC

COMMERCIAL-INDUSTRIAL PURCHASE AGREEMENT

This form approved by the Minnesota Association of REALTORS®, which disclaims any liability arising out of use or misuse of this form.

Date: 10/1/03

RECEIVED OF Nicollet Restoration, Inc.

the sum of one thousand (\$ 1000) DOLLARS

check as earnest money and in part payment for the purchase of property

at 729 4th Street SE and nearby lot situated in the

County of Hennepin, State of Minnesota, and legally described as follows: Presbyterian Church

and parking lot, legal to govern

together with the following personal property:

all of which property the undersigned has this day sold to the Buyer for the sum of: fifty thousand

(\$ 50,000) DOLLARS, which the Buyer agrees to pay in the following manner:

Earnest money herein paid 1000 and 49,000 cash, on , the date of

closing and the balance of 0 by financing as shown on the attached addendum.

1. DEED/MARKETABLE TITLE: Subject to performance by the Buyer, the Seller agrees to execute and deliver a Warranty Deed conveying marketable title to said premises subject only to the following exceptions:

(a) Building and zoning laws, ordinances, State and Federal regulations. (b) Restrictions relating to use or improvement of the premises without effective forfeiture provision. (c) Reservation of any minerals or mineral rights to the State of Minnesota. (d) Utility and drainage easements which do not interfere with present improvements. (e) Rights of tenants as follows:

- 1. Right of first refusal to Presbyterian Church on any future sale
2. Option to repurchase by Presbyterian Church at 150% of appraisal value

2. REAL ESTATE TAXES. Real estate taxes due and payable in the year of closing shall be prorated between Seller and Buyer on a calendar year basis to the actual date of closing unless otherwise provided in this Agreement.

3. SPECIAL ASSESSMENTS. [strike out one.] BUYER AND SELLER SHALL PRORATE AS OF THE DATE OF CLOSING / SELLER SHALL PAY on the date of closing all installments of special assessments certified for payment with the real estate taxes due and payable in the year of closing.

[Strike out one.] BUYER SHALL ASSUME / SELLER SHALL PAY ON DATE OF CLOSING all other special assessments levied as of the date of this Agreement.

[Strike out one.] BUYER SHALL ASSUME / SELLER SHALL PROVIDE PAYMENT OF special assessments pending as of the date of this Agreement for improvements that have been ordered by the City Council or other governmental assessing authorities.

If a special assessment becomes pending after the date of this Agreement and before the date of closing, Buyer may, at Buyer's option: (a) Assume payment of the pending special assessment without adjustment to the purchase price; or (b) Require Seller to pay the pending special assessment (or escrow for payment of same a sum equal to 1 1/2 times the projected pending assessment) and Buyer shall pay a commensurate increase in the purchase price of the property, which increase shall be the same as the estimated amount of the assessment; or (c) Declare this Agreement null and void by notice to Seller, and earnest money shall be refunded to Buyer.

4. PRORATIONS. All items customarily prorated and adjusted in connection with the closing of the sale of the property herein including but not limited to rents, operating expenses, interest on any debt assumed by Buyer, shall be prorated as of the date of closing.

5. DAMAGES TO REAL PROPERTY. If there is any loss or damage to the property between the date hereof and the date of closing, for any reason, the risk of loss shall be on the Seller. If the property is destroyed or substantially damaged before the closing, this Purchase Agreement shall become null and void, at Buyer's option.

COMMERCIAL-INDUSTRIAL PURCHASE AGREEMENT

Address 729 4th Street SE

Page 2

- 6. **EXAMINATION OF TITLE.** Within a reasonable time after acceptance of this Agreement, Seller shall furnish Buyer with an Abstract of Title or a Registered Property Abstract certified to date including proper searches covering bankruptcies and State and Federal judgments, liens, and levied and pending special assessments. Buyer shall have 10 business days after receipt of the Abstract of Title or Registered Property Abstract either to have Buyer's attorney examine the title and provide Seller with written objections or, at Buyer's own expense, to make an application for a title insurance policy and notify Seller of the application. Buyer shall have 10 business days after receipt of the commitment for title insurance to provide Seller with a copy of the commitment and written objections. Buyer shall be deemed to have waived any title objections not made within the applicable 10 day period set forth above, except that this shall not operate as a waiver of Seller's covenant to deliver a Warranty Deed, unless a Warranty Deed is not specified above. If any objection is so made, Seller shall have 10 business days from receipt of Buyer's written title objections to notify Buyer of Seller's intention to make title marketable within 120 days from Seller's receipt of such written objection. If notice is given, payments hereunder required shall be postponed pending correction of title, but upon correction of title and within 10 days after written notice to Buyer the parties shall perform this Purchase Agreement according to its terms. If no such notice is given or if notice is given but title is not corrected within the time provided for, this Purchase Agreement shall be null and void, at option of Buyer; neither party shall be liable for damages hereunder to the other and earnest money shall be refunded to Buyer; Buyer and Seller agree to sign cancellation of Purchase Agreement. If title to the property be found marketable or be so made within said time, and Buyer shall default in any of the agreements and continue in default for a period of 10 days, then and in that case the Seller may terminate this contract and on such termination all the payments made upon this contract shall be retained by Seller as liquidated damages, time being of the essence. This provision shall not deprive either party of the right to enforce the specific performance of this contract provided this contract has not been terminated and provided action to enforce such specific performance shall be commenced within six months after such right or action shall arise.
- 7. **POSSESSION.** Seller shall deliver possession of the property on the date of closing.
- 8. **REPRESENTATIONS AND WARRANTIES.** See attached addendum.
- 9. **TIME IS OF THE ESSENCE FOR ALL PROVISIONS OF THIS CONTRACT.**
- 10. **WELL DISCLOSURE STATEMENT.** Buyer has received the well disclosure statement required by Minnesota Statutes Sec. 103I.235.
BUYER AND SELLER INITIAL: Buyer(s) _____ Seller(s) _____
- 11. **ADDENDA.** Attached are (number) _____ addenda which are made a part of this Agreement.
- 12. **MISCELLANEOUS PROVISIONS.**
 - (a) **Survival.** All of the warranties, representations, and covenants of this Agreement shall survive and be enforceable after the closing.
 - (b) **Entire Agreement; Modification.** This Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the property. There are no verbal agreements that change this Agreement and no waiver of any of its terms will be effective unless in a writing executed by the parties.
 - (c) **Successors and Assigns.** If this Agreement is assigned, all provisions of this Agreement shall be binding on successors and assigns.
- 13. **ACCEPTANCE DEADLINE.** This offer to purchase, unless accepted sooner, shall be null and void at 11:59 PM, _____
_____ and in such event all earnest money shall be refunded to Buyer.

NOTICE

_____	_____	Represents _____
Agent	Company Name	
_____	_____	Represents _____
Agent	Company Name	

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

Dated: October 1, 2003 Dated: _____

SELLER *John J. Kerwin* BUYER _____

Nicollet Restoration, Inc.
John J. Kerwin, President

SELLER _____ BUYER _____

SELLING AGENT None