



CITY OF LE SUEUR
REQUEST FOR COUNCIL ACTION

TO: Mayor and City Council

FROM: Joe Roby, City Administrator

SUBJECT: Resolution R2026-012: Airport Land Acquisition

DATE: For the City Council Meeting of Monday, February 9th, 2026

PURPOSE

Consider adopting a resolution approving the execution of a purchase agreement for property adjacent to the Le Sueur Municipal Airport.

SUMMARY

In the interest of future expansion at the Le Sueur Municipal Airport, with particular focus on a runway taxiway extension and security of the Building Restriction Line (BRL) adjacent to the airport, City staff, at the guidance of the Airport Commission and City Council, began negotiating terms of a purchase agreement with Scott Churchill for the acquisition of approximately 19.31 acres of vacant land.

City Council budgeted CIP funds for the City's anticipated share of the acquisition in 2023, and the City has now received final approval of grant submission from the FAA and MnDOT to make the acquisition. Total local share of the acquisition is estimated at \$6,287.50, with the FAA and MnDOT covering \$245,212.50.

A summary of the property to be acquired, along with the purchase agreement, is attached to this memo, accompanying Resolution R2026-012, which authorizes the execution of the purchase agreement.

ACTION REQUESTED

Staff recommend City Council adopt Resolution R2026-012 as presented.

Alternate Actions:

- No action / Denial: Purchase agreement will not be executed as presented unless otherwise directed by City Council.
- Modification of Recommendation: This is always an option for City Council.

CITY OF LE SUEUR, MINNESOTA
CITY COUNCIL RESOLUTION **R2026-012**

APPROVAL OF ACQUISITION OF LAND ADJACENT TO THE LE SUEUR MUNICIPAL
AIRPORT

WHEREAS, Section 9.01 of the Le Sueur City Charter authorizes the City Council to acquire any property by purchase, gift, devise, or condemnation for public purpose or use; and

WHEREAS, the Airport Commission and City Council recognize the importance of future expansion at, and projects involving, the Le Sueur Municipal Airport, which is owned and operated by the City of Le Sueur; and

WHEREAS, the City has been presented with a proposal for the City to acquire approximately 19.31 acres of property within the Le Sueur municipal boundaries adjacent to the Le Sueur Municipal Airport (“Property”), consisting of:

PID 21.002.6010 (approximately 5.71 acres)
PID 21.002.6000 (approximately 9.34 acres)
PID 21.011.3200 (approximately 4.26 acres); and

WHEREAS, Minnesota Statutes, Section 462.356, subdivision 2 states that no publicly owned interest in real property within a city shall be acquired until after the Planning Commission has reviewed the proposed acquisition and reported in writing to the City Council its findings as to compliance of the proposed acquisition with the comprehensive plan; and

WHEREAS, the same statute further states, however, that the City Council may, by resolution adopted by two-thirds vote, dispense with the requirements of this subdivision when in its judgment it finds that the acquisition of real property has no relationship to the comprehensive plan.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT:

1. The City Council hereby finds that the proposed acquisition of the Property has no relationship to the City's Comprehensive Plan, and therefore review of the proposed sale by the Le Sueur Planning Commission is not required under Minn. Stat. § 462.356, Subd. 2, and is hereby dispensed with as allowed by that statute.

BE IT FURTHER RESOLVED THAT:

2. The City Council hereby approves the acquisition of the Property, described in the attached Purchase Agreement, by the City.

BE IT FURTHER RESOLVED THAT:

3. The City Council hereby approves the attached Purchase Agreement as to form and authorizes and directs the Mayor and City Administrator or their assigns to execute the purchase agreement substantially in the form hereby approved, allowing any necessary changes to the attached documents prior to execution thereof, and such other documents as are necessary to close on the sale of the Property by the Seller to the City, and that City, following closing, shall record the requisite instruments of sale, as applicable, in the Office of the Le Sueur County Recorder.

PASSED by the City Council of the City of Le Sueur on this 9th day of February 2026.

ATTEST

Shawn Kirby, Mayor

Lindsey Dhaene, City Clerk

VOTE: ___ HUNTINGTON ___ KIRBY ___ SCHLUETER
___ SULLIVAN ___ NELSON ___ SMITH ___ WILLIAMS

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (“Agreement”) is made as of 23 day of October, 2024, between Scott W. Churchill and Dianne L. Churchill (collectively “Seller”); and the City of Le Sueur, a Minnesota municipal corporation, Peck Street, Le Sueur, Minnesota 56058, its successors and/or assigns (“Buyer” and occasionally the “City”); (collectively Buyer and Seller are the “Parties”).

WHEREAS, the Buyer, as the airport sponsor of the Le Sueur Municipal Airport, is engaged in an airport improvement project that includes the construction and installation of a new full-length taxiway parallel to the airport main runway (the “Project”); and

WHEREAS, the Project is for a public purpose, intended to enhance and expand the operational capacity and safety of the Le Sueur Municipal Airport, thereby serving the community and fulfilling the City’s governmental functions as the airport sponsor; and

WHEREAS, the City has identified the real property described herein (the “Property”) as necessary for the Project’s completion; and

WHEREAS, the Seller, has agreed to sell and convey the Property to the City pursuant to the terms set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **SALE OF PROPERTY.** Upon and subject to 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. **Real Property.** The real property in the City of Le Sueur, Le Sueur County, Minnesota, consisting of a 9.34 acre portion of Parcel I.D. No. 21.002.6000 and the entirety of Parcel I.D. No. 21.011.3200 comprising approximately 4.26 acres, together totaling approximately 13.6 acres as legally described on the attached Exhibit A, (collectively the “Land”), together with all easements and rights benefiting or appurtenant to the Land and Improvements including any right, title or interest in the bed of any street, road, highway or alley adjoining the Land (collectively the “Real Property”).
 - b. **Donation Land.** In addition to the sale of the Land and Real Property, Seller agrees to donate Parcel I.D. No. 21.002.6010, comprising approximately 5.71 acres as shown on the attached Exhibit B, (the “Donation Land”) together with all easements and rights benefiting or appurtenant to the Donation Land and Improvements including any right, title or interest in the bed of any street, road, highway or alley adjoining the Donation Land to the Buyer.

- c. **Remaining Tract.** The Remaining Tract (the “Remaining Tract”) as shown on the depiction in Exhibit B and legally described in Exhibit C shall not be part of the Property hereby conveyed to Buyer by Seller and shall instead remain in the ownership of the Seller and is not a part of this real estate transaction.
 - d. **Leases.** Seller warrants that any and all leases relating to the Property have been or will be terminated prior to the Closing Date.
 - e. **Permits.** Seller’s interests in any certificates, permits, variances, licenses, and approvals which benefit or relate to the Property and its current use (“Permits”).
 - f. **Warranties.** Seller’s interest in all warranties and guarantees, if any, given to, assigned to or benefiting Seller or the Real Property or the Personal Property, regarding the acquisition, construction, design, use, operation, management or maintenance of the Property (“Warranties”).
 - g. **Plans.** All blueprints, shop drawings, surveys, studies, plans and specifications regarding the Real Property and Personal Property that are in the possession of or readily available to Seller or its agents (the “Plans”).
 - h. **Records.** All records regarding the Real Property and the Personal Property (“Records”) that are in possession of the Seller, or its Seller’s contract manager, except those that are proprietary to Seller or which are normally viewed as confidential.
 - i. **Proceeds.** Seller’s interest in and to any insurance proceeds hereinafter received relating to any of the Property, subject to the provisions of Sections 8 and 9 herein (“Proceeds”).
 - j. **PURCHASE PRICE AND MANNER OF PAYMENT.** The total purchase price (“Purchase Price”) to be paid by Buyer to Seller for the Property shall be One Hundred Ninety-Seven Thousand Two Hundred and No/100ths Dollars (\$197,200.00), which shall be paid in cashier’s check, wire transfer, or ACH payment on the Closing Date. The Fair Market Value of the Donation Land being donated from the Seller to the Buyer pursuant to this Agreement is Fourteen Thousand Five Hundred and No/100ths Dollars (\$14,500.00) per acre, for a total value of Eighty Two Thousand Seven Hundred Ninety Five and No/100ths Dollars (\$82,795.00). The Parties agree the Seller’s contribution of the Donation Land qualifies as a charitable contribution for tax deduction purposes under applicable IRS guidelines.
2. The Buyer shall pay One Dollar and other consideration to Seller as Earnest Money commensurate with the Buyer’s execution of this Agreement.
3. **CLOSING.** The closing of the purchase and sale contemplated by this Agreement (the “Closing”) shall occur on a date mutually acceptable to Seller and Buyer, but no later

than sixty (60) days after the Inspection/Due Diligence Period described in Section 11 has expired or is waived in writing by Buyer, subject to extension for title curative matters pursuant to Section 6 (the "Closing Date"). The Closing shall take place at the Title Company, as hereinafter defined, or at such other place as may be agreed to mutually by the Parties. Seller agrees to deliver possession of the Property to Buyer on the Closing Date.

- a. **Seller's Closing Documents.** On the Closing Date, Seller shall execute and/or deliver to Buyer the following (collectively, "Seller's Closing Documents"):
 - i. Deed. A General Warranty Deed (with a statement regarding any wells on the Property), in a form reasonably satisfactory to Buyer, conveying the Property to Buyer, free and clear of all encumbrances, except the "Permitted Exceptions" determined pursuant to Section 6 hereof.
 - ii. Seller's Affidavits. 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 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 Title Company to issue an owner's policy of title insurance conforming to the requirements of Section 6 of this Agreement.
 - iii. Well Certificate. If there are wells on the Real Property, a Well Certificate in the form required by Minn. Stat. § 103I.235.
 - iv. Other Affidavits. Any other affidavits or certificates that may be required under Minn. Stat. § 116.48, Subd. 6, or Sect. 115B.16 or other provisions of law.
 - v. Abstract. The abstract of title or the owner's duplicate certificate of title for the Real Property as provided herein, if the same is in Seller's possession or control.
 - vi. Other. Such other documents as may reasonably be required to transfer fee title to the Property to Buyer and to enable the Title Company to provide the Title Policy as required by this Agreement.
- b. **Buyer's Closing Documents.** On the Closing Date, Buyer will execute and/or deliver to Seller the following (collectively, "Buyer's Closing Documents):

- i. Purchase Price. The Purchase Price, minus the Earnest Money, if any, by check or wire transfer.

4. **CONTINGENCIES.** The obligation of the Buyer to perform under this Purchase 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 in accordance with the provisions of Section 6.
- b. The Inspection Period described in Section 11 shall have expired without Buyer's terminating the Purchase Agreement.
- c. The representations and warranties of Seller shall be true and correct in all material respects up through and including the Date of Closing.
- d. The Parties understand and agree that the purchase of the Property is contingent upon approval by the City Council of the City of Le Sueur.
- e. If required, prior to the Closing Date, the parcels of real property identified as Parcel I.D. Nos. 21.011.3200 and 21.002.6000 shall be subdivided so as to create two parcels: one comprised of the Real Property as legally described on Exhibit A, and the other comprised of the Remaining Tract as legally described on Exhibit C, as applicable pursuant to City Code requirements and as required by the Buyer. The Seller agrees to act as the applicant and sign the application for purposes of the land subdivision. The Seller agrees to otherwise cooperate with the Buyer regarding such processes as the City may require to accomplish the above-mentioned subdivision. The Seller shall fully cooperate and execute all such additional documents as necessary or required by Buyer to ensure that the transaction herein is completed as provided herein, including but not limited to, that the legal descriptions of the Property are accurate in the Buyer's judgment, and that the legal descriptions, required Deed, and Property parcel identification numbers of the Property to be purchased hereby are identifiable for property tax purposes and in a recordable form acceptable to and which can be recorded by the Office of the Le Sueur County Recorder.

The contingencies in this section are solely for the benefit of, and may at any time be waived by, the Buyer. If any approval as provided herein is not obtained by the Closing Date, this Agreement shall be null and void and the earnest money, if any, returned to the Buyer.

5. **PRORATIONS.** Seller and Buyer agree to the following prorations and allocation of costs regarding this Agreement.

- a. **Title Insurance and Closing Fee.** Buyer shall be responsible for obtaining a Title Commitment and the cost thereof, and Buyer will pay all premiums required

for the issuance of the Title Policy. Buyer will pay any reasonable and customary closing fee or charge imposed by the Title Company.

- b. **Deed Tax.** Buyer shall pay the state deed tax on the Warranty Deed to be delivered by Seller under this Agreement.
 - c. **Real Estate Taxes and Special Assessments.** General real estate taxes and installments of special assessments payable therewith payable in the year prior to the year of Closing and all prior years will be paid by Seller. Seller shall pay on or before the Closing Date all special assessments that were officially levied or pending as of the date of this Agreement (except installments thereof which are payable along with real estate taxes payable in calendar year 2024 and thereafter). Special assessments levied or which become pending after the date of this Agreement shall be paid by Buyer. General real estate taxes payable in the year of Closing shall be prorated such that Seller shall pay such portion of such taxes attributable to the period beginning on January 1 of the year in which the Closing Date takes place, and continuing through and including the Closing Date and Buyer shall pay such portion of such taxes attributable to the period beginning on the first day after the Closing Date takes place.
 - d. **Recording Costs.** Buyer will pay the cost of recording the Deed. Seller shall pay the cost of recording any documents necessary to perfect its own title or which release encumbrances other than Permitted Exceptions.
 - e. **Other Costs.** All other operating costs of the Property will be allocated between Seller and Buyer as of the Closing Date, so that Seller pays that part of such other operating costs accruing on or before the Closing Date, and Buyer pays that part of such operating costs accruing after the Closing Date. All utilities, if any, shall have a final reading as of the Closing Date and then be transferred to Buyer on the Closing Date. Seller shall be responsible for all charges prior to the final reading; Buyer shall be responsible for all charges after the final reading, as applicable.
 - f. **Attorneys' Fees.** Each of the parties will pay its own attorneys' fees, except that a party defaulting under this Agreement or any closing document will pay the reasonable attorneys' fees, court costs and any and all other costs incurred by the non-defaulting party to enforce its rights regarding such default.
6. **TITLE.** Seller shall convey good and marketable title to the Property to the Buyer, free of encumbrances other than easements and restrictions of record, which do not materially interfere with Buyer's intended use of the Property and Permitted Exceptions as provided by this Agreement.
- a. **Title Commitment.** Buyer shall at any time during the Inspection Period, obtain at its sole cost and expense, a title commitment ("Title Commitment") covering the Property and binding the title company ("Title Company") to issue at closing

a current form ALTA Owner's Policy of Title Insurance ("Title Policy") in the full amount of the purchase price hereunder. Within thirty (30) days of the effective date of this Agreement, Seller shall deliver to Buyer one or more Abstracts of Title, if the same are in Seller's possession, covering all parcels that make up the Property. Abstracts of Title are not required to be certified to date nor to include searches covering bankruptcies, state and federal judgments, judgment liens, or special assessments, so long as the Title Commitment required above assures good and unfettered title.

- b. **Survey.** Notwithstanding any provision to the contrary contained in this Agreement, Buyer shall have the right prior to Closing to obtain a survey of the Property at its cost and expense to ensure that it has an accurate legal description of the Property.
 - c. **Objections.** Within 15 business days after delivery of the Title Commitment to Buyer, Buyer may deliver to Seller such written objections as Buyer may have to anything contained therein. Seller shall make commercially reasonable efforts to satisfy such objections prior to the Closing Date.
 - d. **Buyer's Rights if Seller Fails to Cure Objections.** If Seller delivers written notice to Buyer on or before the Closing Date that Seller is unable to satisfy any objection or if, for any reason, Seller is unable to convey title in accordance herewith, Buyer may, as Buyer's exclusive remedies, waive such objections and accept such title as Seller is able to convey, with or without adjustment in the purchase price, or terminate this Agreement by written notice to Seller, and Seller shall refund to Buyer any Earnest Money paid by Buyer, provided that such termination notice must be delivered on or before the Closing Date.
 - e. **Permitted Exceptions.** The following shall be deemed to be permitted exceptions:
 - i. Building and zoning laws, ordinances, state and federal regulations; and
 - ii. The lien of real property taxes payable in the year of Closing which by the terms of this Agreement are to be paid or assumed by Buyer.
7. **OPERATION PRIOR TO CLOSING.** During the period from the date of Seller's acceptance of this Agreement to the Closing Date (the "Executory Period"), Seller shall operate and maintain the Property in the ordinary course of business in accordance with prudent, reasonable business standards, including the maintenance of adequate liability insurance and any currently-maintained insurance against loss by fire, windstorm and other hazards, casualties and contingencies, including vandalism and malicious mischief (Buyer understands that Seller may self-insure fire and other property casualties), provided, that Seller will not enter into any new leases, or renew any lease terms (other than on a month-to-month basis), or modify or terminate any lease, or accept the

surrender of any leased premises, without the written consent of Buyer, which consent shall not be unreasonably withheld or delayed.

8. **DAMAGE.** If, prior to the Closing Date, all or any part of the Property is substantially damaged by fire casualty, the elements or any other cause, Seller shall immediately give notice to Buyer of such fact and at Buyer's option (to be exercised within fifteen (15) days after Seller's notice), this Agreement shall terminate. In the event Buyer does not terminate this Agreement during the said fifteen (15) day period, Seller shall have the right, during the succeeding five (5) day period to terminate this Agreement by giving written notice thereof to Buyer. In the event either Buyer or Seller so terminates this Agreement, the Parties will have no further obligations under this Agreement. If neither Buyer nor Seller so elects to terminate despite such damage, or if the Property is damaged but not substantially, at Buyer's election, Seller shall promptly commence to repair such damage or destruction and return the property to its condition prior to such damage and Buyer shall have the right to approve any loss adjustment reached by Seller with the applicable insurance companies, such approval not to be unreasonably withheld or delayed. If Buyer elects to require Seller to repair, such damage shall be completely repaired prior to the Closing Date, then Seller shall retain the proceeds of all insurance related to such damage. If such damage shall not be completely repaired prior to the Closing Date but Seller is diligently proceeding to repair, then Seller shall complete the repair after the Closing Date and shall be entitled to receive the proceeds of all insurance related to such damage after repair is completed; provided, however, Buyer shall have the right to delay the Closing Date until repair is completed. If Seller shall fail to diligently proceed to repair such damage then Buyer shall have the right to require a closing to occur, at Buyer's option, the Seller shall assign to Buyer all right to receive the proceeds of any insurance it may carry relating to such damage and Seller shall pay Buyer an amount equal to the deductible under the applicable policies, and the Purchase Price shall remain the same. For purposes of this Section, the words "substantially damaged" mean damage that would cost \$25,000.00 or more to repair or which permits any of the principal tenants of the Property to avoid or cancel their lease.

9. **CONDEMNATION.** The Buyer, as the airport sponsor of the Le Sueur Municipal Airport, is acquiring the Property for an airport improvement project and has advised Seller that it will exercise its power of eminent domain to acquire the Property if an agreement for purchase of the Property is not reached voluntarily. Accordingly the Buyer acknowledges that this agreement is entered into by Seller under threat of condemnation. Seller acknowledges that it is entering into this agreement under threat of condemnation but because the compensation provided for herein is fair and just Seller is willing to sell the Property to the City in order that both parties avoid the uncertainty and expense of condemnation proceedings. Seller agrees that the payment provided for herein includes compensation for any damage to or decrease in value of Seller's remaining property, including severance damages, attributable to the project the City plans to undertake on the Property. Seller relinquishes all of its rights of access, light, air and view between the portions of the Property except in those specific locations as may be designated now or in the future by the City. Accordingly, the Parties agree the Seller may utilize the proceeds

from the sale of the Property for a tax-deferred exchange pursuant to 10 U.S.C. § 1033 (the “1033 Exchange”).

10. **SELLER’S WARRANTIES.** As an inducement to Buyer to enter into this Agreement of sale and purchase, Seller hereby represents and warrants to Buyer and agrees as follows:

- a. Neither the execution, delivery nor performance of this Purchase Agreement will result in the breach under any indenture, security instrument or other agreement or court or administrative order by which the Seller or the Property may be bound or affected.
- b. The Property and its current use, and the location of any improvements on the Property, are in compliance with all federal, state and municipal laws, ordinances, rules and regulations, including zoning, subdivision, environmental protection, building, fire and health laws, ordinances, rules and regulations; and Seller has received no notices from any municipal or state or federal regulatory bodies or agencies that the Property is in violation of the provisions of any such laws, ordinances, rules or regulations.
- c. The Buyer owns one or more parcels of real estate immediately adjacent to, and abutting the Property affording access to and from the Property to a public street.
- d. Seller has disclosed and made available to Purchaser all reports and investigations commissioned by or otherwise readily available to Seller relating to Hazardous Substances and the Property. The term “Hazardous Substance,” in the singular and plural form, means any “hazardous substance” as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time (42 U.S.C. §§ 9601 et. seq., any substances or materials which are classified or considered to be hazardous, contaminants, toxic or pollutants, or otherwise regulated under the laws of the State in which the Property is located, and crude oil and any fraction thereof, asbestos in any form or condition, and polychlorinated biphenyls in any form or condition, or any other chemical, substance or material listed or identified in or regulated by any Environmental Law.
- e. All permits, licenses, approvals and reports necessary or required for a Party to store, use, generate or dispose of any Hazardous Substances within or on the Property have been obtained or made, are being complied with, and are in full force and effect.
- f. To the best of Seller’s knowledge, no methamphetamine production has occurred on the Property.

- g. Seller is not aware of any environmental condition, situation or incident on, at, or concerning the Property, that could give rise to an action or liability under any Environmental Law or other law, rule, ordinance, or common law theory.
- h. To the best of Seller's knowledge, (i) there are no past or present investigation, administrative proceedings, litigation, regulatory hearings, claims 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, and (ii) neither Seller nor any third party has violated any Environmental Law with respect to the Property or Improvements. For purposes of this Agreement, "Environmental Law" means the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§ 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. §9601 et seq. the Federal Water Pollution Control Act, 33 U.S.C. §1201 et seq., the Clean Water Act, 33 U.S.C. §1321 et seq., the Clean Air Act, 42 U.S.C. §7401 et seq., the Toxic Substances Control Act, 33 U.S.C. §1251 et seq., all as amended from time to time, and any other federal, state, local or other governmental statute, regulation, rule, law or ordinance dealing with the protection of human health, safety, natural resources or the environment now existing and hereafter enacted; and "Claim" or "Claims" means any and all liabilities, suits, claims, counterclaims, causes of action, demands, penalties, state or federal regulatory agency proceedings or actions, violations, debts, obligations, promises, acts, fines, judgment, damages, consequential damages, losses, costs, and expenses of every kind (including without limitation any attorney's fees, consultant's fees, costs, remedial action costs, cleanup costs and expenses which may be related to any claims).
- i. To the best of Seller's knowledge, there are not now, nor have there ever been, any wells, operating or abandoned, located in, on or under the Property. As applicable, Seller will provide a Well Disclosure Statement to accompany this Agreement.
- j. Neither the Seller nor any of its affiliates, nor any person that controls, is controlled by, or is under common control with Seller, is on the list of Specially Designated Nationals and Blocked Persons of the Office of Foreign Assets Control of the United States Department of the Treasury ("OFAC"), nor is Seller acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order, the United States Treasury Department, or United States Office of Homeland Security as a terrorist, Specially Designated National and Blocked Person, or other banned or blocked person, entity, nation or pursuant to any law, order, rule or regulation that is enforced or administered by the OFAC.
- k. There are no underground or above ground storage tanks on the Property, in use or abandoned, and no such tanks have been removed during Seller's ownership of

the Property except in strict compliance with all laws, ordinances and regulations regarding such removal.

- l. There is in effect no contract or agreement relating to management, maintenance services or operation of the Property that cannot be terminated on or prior to the Closing Date.
- m. Seller has paid for, or will pay for on or before the Closing Date, all work, supplies and materials, performed upon and supplied to the Property.
- n. There exists no litigation affecting or calling into question the Property or any part or component thereof, or Seller's interest therein. With the exception of the Buyer's airport improvement project related to the Property, there is otherwise no condemnation proceeding contemplated or pending with respect to any part of the Property, and Seller has no knowledge of any threat or the imminence thereof.
- o. Seller is the owner of all, and there exists no lien, encumbrance or adverse claim with respect to, any of the items of Personal Property, and all equipment and capital leases for fixtures or equipment essential to operation of the Property have been disclosed in writing to Buyer.
- p. There are no service, maintenance or other contracts or equipment leases relating to the Property other than those which can and, at Buyer's option, will be cancelled on or before the Closing Date; and Seller has disclosed in writing to Buyer all such contracts and equipment leases, if any.
- q. Seller will terminate all leases with respect to the Property prior to the Closing Date and Seller agrees that Seller will not enter into any new leases or renew any lease terms.
- r. The income and expense statements of the Property made available and to be made available to Buyer by Seller shall be true, accurate, and complete in all material respects and shall not omit any material information.

All such representations and warranties shall be true on the Closing Date as if made on and as of such date and shall survive the Closing Date. In the event that any aforesaid warranty is determined not to be true on and as of the Closing Date Buyer may, in Buyer's sole discretion, at its option and by notice to Seller, either: (i) terminate this Agreement and upon said termination, Seller shall promptly refund to Buyer all monies paid to Seller hereunder, or (ii) waive the warranty or representation and close the sale and purchase hereof.

11. **INSPECTION/DUE DILIGENCE PERIOD.** Buyer shall have, commencing the effective date of this Purchase Agreement, until sixty (60) days thereafter (the "Inspection/Due Diligence Period") to (i) conduct such reviews, inspections, soil borings, and tests of the Property as Buyer in its sole discretion deems necessary or advisable, (ii)

conduct a Phase I environmental assessment of the Property, and (iii) obtain such federal, state and local governmental approvals and permits as Buyer in its sole discretion deems necessary or advisable for Buyers proposed development and use of the Property. Such inspection/due diligence by Buyer shall include, but not necessarily be limited to, the following:

- a. Seller shall allow Buyer and its agents, upon 24 hours advance verbal or written notice from Buyer to Seller, the right of any ingress and egress over and through the Property for the purpose of inspecting and testing the same and making other observations and taking soils samples and borings as Buyer deems prudent, necessary or advisable, all however, at Buyer's expense. Buyer agrees to indemnify and hold Seller harmless from all injury, death, or property damage or claims of any kind whatsoever arising out of or in any way incidental to Buyer's presence on the Property for the purposes aforesaid, which indemnity and hold harmless obligation of Buyer shall survive termination of this Purchase Agreement for any reason.
- b. If prior to the end of the Inspection/Due Diligence Period, Buyer finds any information or conditions relating to the Property or Buyer's proposed development and use thereof that are objectionable to Buyer in Buyer's sole discretion, Buyer shall have the right to terminate this Purchase Agreement by giving written notice of termination to Seller no later than the end of the Inspection/Due Diligence Period and, and upon said termination, Seller shall promptly refund to Buyer all monies paid to Seller hereunder. For purposes of this Section, objectionable information or conditions means: (1) that the item or component being inspected is not fit for its intended purpose, that it is in violation of a public law, code or regulation, that it needs replacement, cleaning, repairs or service, or that it is missing essential parts; or, (2) that an environmental condition (such as for example radon, mold, well water contamination, asbestos, soil contamination, other Hazardous Substances, etc.) of the Property is unacceptable to Buyer. However, an item or component is not in objectionable condition if its only imperfections are cosmetic or signs of wear and tear or diminished effectiveness associated with an item or component of its age, or because it is not new or perfect, or because it is legally nonconforming under current law.

This section shall not be construed to limit in any manner any future testing or analyses by Buyer, in Buyer's sole judgment and discretion, of the environmental conditions on the Property during the Remediation Period.

12. BROKER'S COMMISSION. Seller and Buyer represent and warrant to each other that they have dealt with no brokers, finders or the like in connection with this transaction.

13. MINNESOTA UNIFORM RELOCATION ASSISTANCE ACT. If Seller and Buyer are unable to reach a mutually acceptable agreement for the purchase and sale of Seller's Property, Buyer has the legal authority to acquire Seller's Property through the exercise

of the power of eminent domain. Therefore, Buyer is an “Acquiring Authority” for purposes of the Minnesota Uniform Relocation Assistance Act, Minn. Stat. §§ 117.50 to 117.56 (the “Act”). Minn. Stat. § 117.52 requires Buyer to provide Seller with any relocation assistance services, payments, and benefits required by the Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as amended by the Surface Transportation and Uniform Relocation Assistance Act of 1987, and the federal regulations adopted pursuant thereto and further interpreted by FAA Order 5100.37B. The applicable federal regulations are found in 49 C.F.R., part 24 (the “Regulations”). Seller hereby acknowledges that Buyer has notified Seller of Buyer’s interest in acquiring the Property and has provided Seller with notices explaining provisions of the Act and the Regulations and, to the extent applicable, Seller further acknowledges compliance with Minn. Stat. § 117.187 with respect to Minimum Compensation when a transaction results in Seller’s relocation. The Purchase Price includes all amounts due pursuant to application of the Minn. Stat. § 117.187.

14. **SURVIVAL.** The respective covenants, agreements, indemnifications, warranties and other terms of this Agreement will survive and be in full force and effect after the Closing, and shall not be deemed to have merged into any of the Closing Documents.

15. **NOTICES.** Any notice required or permitted to be given by any Party upon the other is given in accordance with this Agreement if it is directed to Seller by delivering it personally to an officer of Seller; or if it is directed to Buyer, by delivering to Buyer; or if mailed by United States registered or certified mail; return receipt requested, postage prepaid; or if transmitted by facsimile copy followed by mailed notice as above required, or if deposited cost paid with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Buyer: City Administrator
City of Le Sueur
203 S. 2nd Street
Le Sueur, Minnesota 56058

If to Seller: Scott W. Churchill and Dianne L. Churchill
PO Box 92
Le Sueur, MN 56058

Notices shall be deemed effective on the earlier of the date of receipt or the date of deposit as aforesaid; provided, however, that if notice is given by deposit, that the time for response to any notice by the other Party shall commence to run two (2) business days after any such deposit. Any Party may change its address for the service of notice by giving written notice of such change to the other Party, in any manner above specified.

16. **CAPTIONS.** The section/paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

17. **ENTIRE AGREEMENT; MODIFICATION.** This written Agreement constitutes the complete agreement between the Parties and supersedes any prior oral or written agreements between the Parties regarding the Property. There are no verbal agreements that change this Agreement and no waiver of any of its terms will be effective unless in a writing executed by the Parties.
18. **BINDING EFFECT.** This Agreement binds and benefits the Parties and their successors and assigns.
19. **CONTROLLING LAW.** The Parties acknowledge and agree that each has been given the opportunity to independently review this Agreement with legal counsel, and/or has the requisite experience and sophistication to understand, interpret, and agree to the particular language of this Agreement. The Parties have equal bargaining power, and intend the plain meaning of the provisions of this Agreement. In the event of an ambiguity in or dispute regarding the interpretation of this Agreement, the ambiguity or dispute shall not be resolved by application of any rule that provides for interpretation against the drafter of the Agreement. This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.
20. **REMEDIES.** If Buyer defaults under this Agreement, Seller shall have the right to terminate this Agreement by giving written notice to Buyer. If Buyer fails to cure such default within thirty (30) days of the date of such notice, this Agreement will terminate with no further obligation by either Party. The termination of this Agreement will be the sole remedy available to Seller for such default by Buyer, and Buyer will not be liable for damages. If Seller defaults under this Agreement, Buyer may terminate the Agreement upon five (5) days' notice to Seller (Seller having cure rights during the 5-day period), and upon said termination, Seller shall promptly refund to Buyer all monies paid to Seller hereunder. Nothing in this Section precludes Buyer from seeking and recovering specific performance of this Agreement or "loss of bargain" damages upon Seller's default.
21. **DATES AND TIME PERIODS.** Should the date for the giving of any notice, the performance of any act, or the beginning or end of any period provided for herein fall on a Saturday, Sunday or legal holiday, such date shall be extended to the next succeeding business day which is not a Saturday, Sunday or legal holiday.
22. **COUNTERPARTS.** This Purchase Agreement may be executed in counterparts, each of which shall be deemed an original, and which together shall constitute a single, integrated contract.
23. **DUTIES OF TITLE COMPANY.** The sole duties of the Title Company shall be those described herein, and the Title Company shall be under no obligation to determine whether the other Parties hereto are complying with any requirements of law or the terms and conditions of any other agreements among said Parties. The Title Company may conclusively rely upon and shall be protected in acting upon any notice, consent, order or other document believed by it to be genuine and to have been signed or presented by the proper Party or Parties, consistent with reasonable due diligence on the Title Company's

part. The Title Company shall have no duty or liability to verify any such notice, consent order or other document, and its sole responsibility shall be to act as expressly set forth in this Agreement. The Title Company shall be under no obligation to institute or defend any action, suit or proceeding of any connection with this Agreement. If any dispute arises with respect to the disbursement of any monies, the Title Company may continue to hold the same pending resolution of such dispute, and the Parties hereto hereby indemnify and hold harmless the Title Company from any action taken by it in good faith in the execution of its duties hereunder. The Parties hereto agree that there may exist a potential conflict of interest between the duties and obligations of the Title Company pursuant to this Agreement and as insurer of the purchase of the Property by Buyer from Seller. The Parties hereto acknowledge such potential conflict and indemnify and hold harmless the Title Company from any claim of conflict of interest arising as a result of its duties hereunder and in determining whether it can give its irrevocable commitment to insure Buyer's title. The provisions of this Section shall survive the termination of this Purchase Agreement.

24. **BUYER'S TRANSACTION APPROVAL.** Buyer's obligation to perform hereunder is contingent upon Buyer obtaining, before the Closing Date, approval of the transaction contemplated by this Agreement by the City Council of the City of Le Sueur. Notwithstanding anything in this Agreement to the contrary, if such approval has not been obtained by the Closing Date, this Agreement shall be null and void without further obligation by either Party. Execution of this Agreement by any person on behalf of the Buyer prior to obtaining the necessary approval provided herein shall not confer any personal authority nor create any personal liability on the signer for the obligations of Buyer under this Agreement.
25. **ASSIGNMENT.** Buyer shall have an unconditional right to assign this Agreement, and either Party may assign its rights under this Agreement at any time; provided that no such assignment will relieve the assigning Party of its obligations under this Agreement.
26. **AUTHORIZED SIGNATORIES.** The Parties each represent and warrant to the other that the persons signing this Agreement are authorized signatories for the entities represented; each Party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.

Remainder of this page intentionally left blank.

Buyer: City of Le Sueur, Minnesota.

Date: _____

By: _____
Shawn Kirby, Its Mayor

Date: _____

By: _____
Joe Roby, Its City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF CARLTON)

This instrument was acknowledged before me on _____, 2024, by Shawn Kirby, the Mayor, and by Joe Roby, the City Administrator of the City of Le Sueur, Minnesota, Buyer.

(Notary Seal)

Notary Public

THIS DOCUMENT WAS DRAFTED BY:

FLAHERTY & HOOD, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103
Phone: 651-225-8840

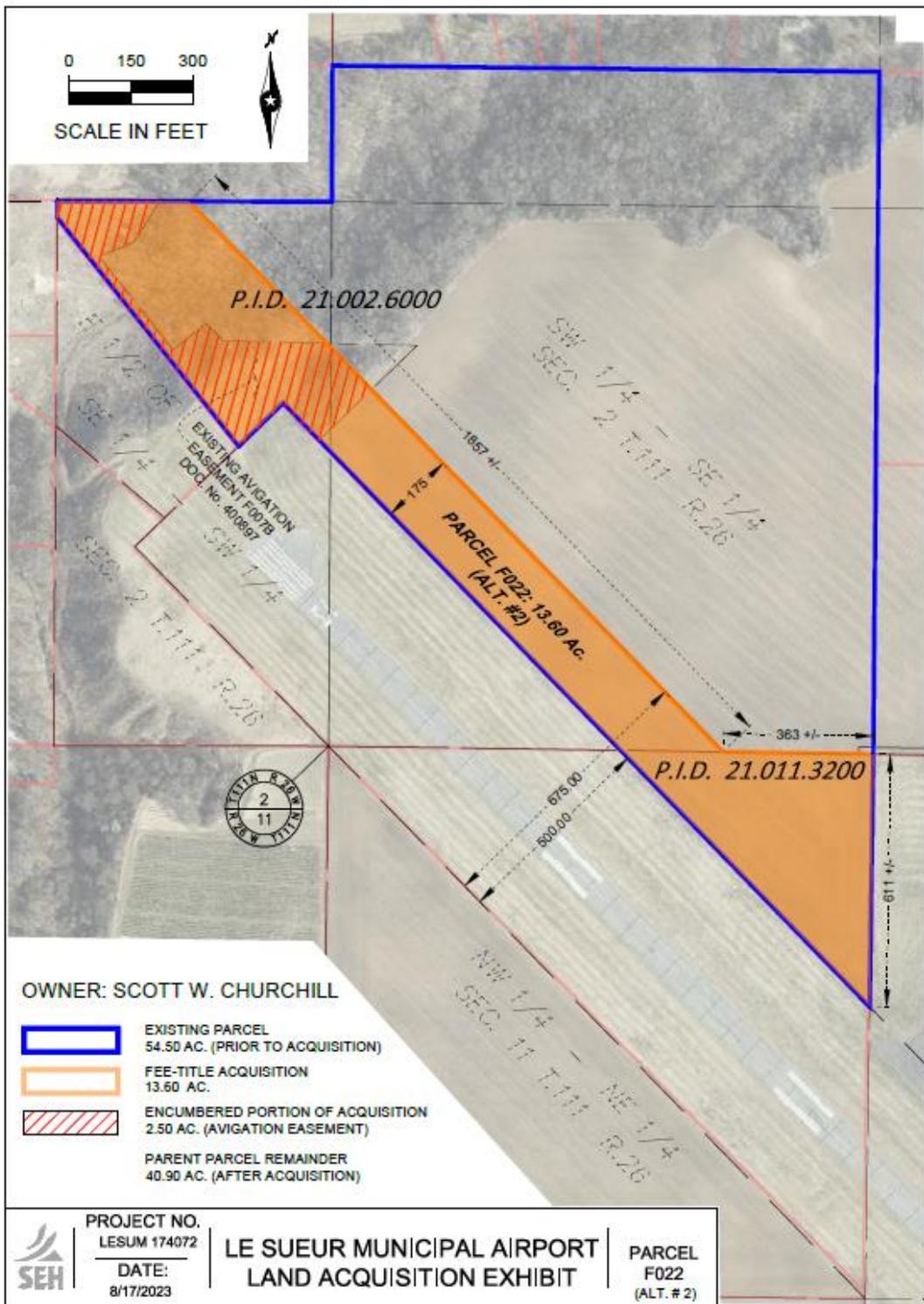
EXHIBIT A

Legal Description of Real Property

TBD by future City paid Certificate of Survey

EXHIBIT B

Depiction of Real Property



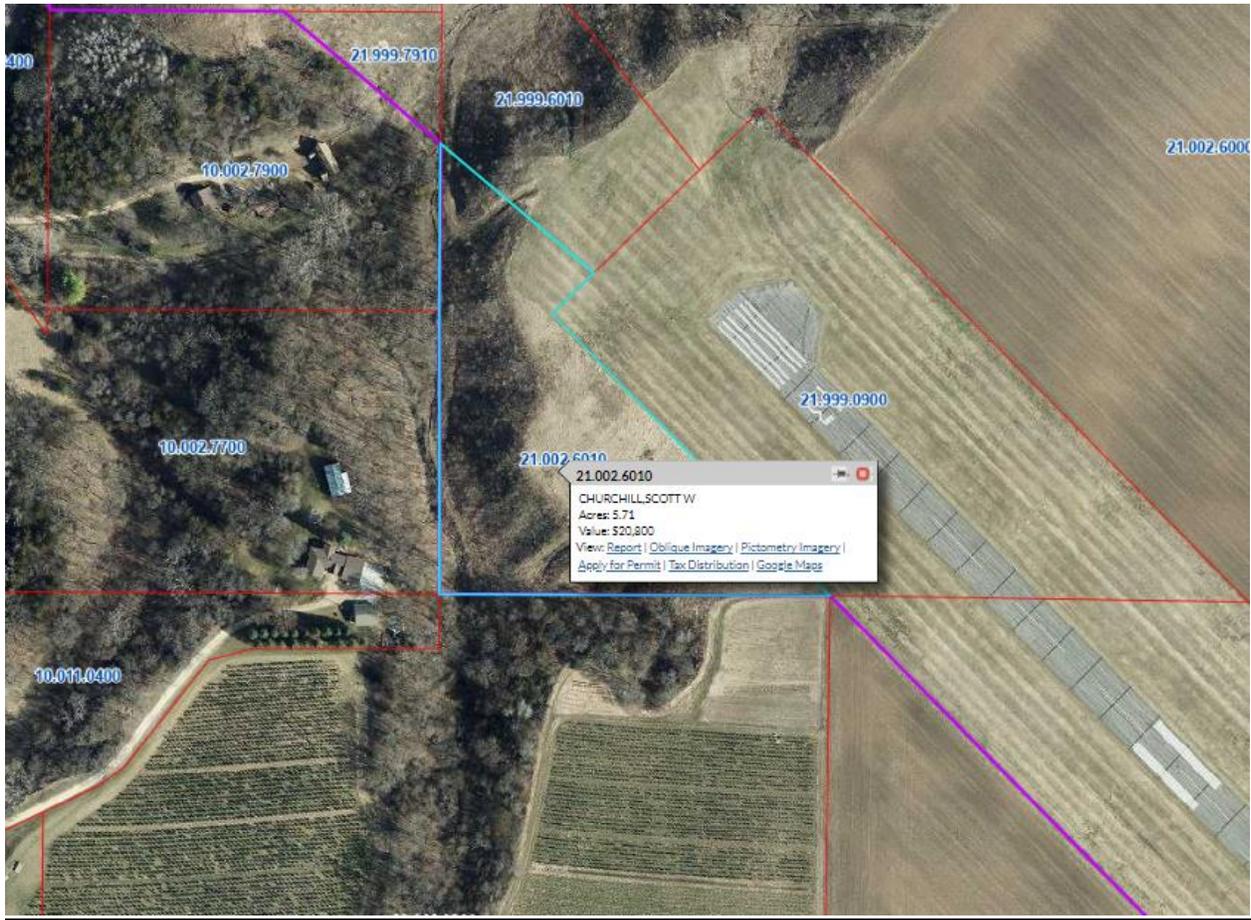


EXHIBIT C

Legal Description of Remaining Tract

TBD by future City paid Certificate of Survey