

**ADDENDUM TO COMMERCIAL
PURCHASE AGREEMENT:
DUE DILIGENCE**

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1. Date 2/25/2017

2. Page _____

3. Addendum to Purchase Agreement between parties, dated Feb 25 2017,

4. pertaining to the purchase and sale of the Property at 2936-2940 Harriet Ave S

5. Minneapolis MN 55408

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

8. This Purchase Agreement is contingent upon Buyer's reasonable approval of due diligence matters as agreed to in
9. this Addendum.

10. Title and examination and title corrections and remedies are excluded from this Addendum and shall be handled in
11. accordance with terms specified in the Examination of Title and Title Corrections and Remedies section of this Purchase
12. Agreement.

13. Buyer shall satisfy himself/herself/itself with respect to the physical condition of the Property and the feasibility and
14. suitability of the Property for Buyer's intended purpose within the respective time period(s) specified herein. Buyer
15. acknowledges that any information provided by Seller, a third party, or broker representing or assisting Seller regarding
16. dimensions, square footage, or acreage of land or improvements is approximate. Buyer shall verify the accuracy of
17. information to Buyer's satisfaction, at Buyer's sole cost and expense.

18. Buyer may declare this Purchase Agreement canceled by providing written notice to Seller, or licensee representing
19. or assisting Seller, within the respective time period(s) specified herein, in which case this Purchase Agreement is
20. canceled. Buyer and Seller shall immediately sign a written cancellation confirming said cancellation and directing all
21. earnest money paid hereunder to be refunded to Buyer, unless provided otherwise in this Purchase Agreement.

22. Buyer's failure to give written notice of cancellation of this Purchase Agreement, within the respective time period(s)
23. specified herein shall conclusively be deemed Buyer's election to proceed with the transaction without correction of any
24. disapproved items that Seller has not agreed in writing to correct or remedy.

25. **Buyer's Responsibility Regarding Due Diligence:** Buyer shall keep the Property free and clear of all liens, shall
26. indemnify, defend, and hold Seller harmless from all liability, claims, demands, damages, costs or expenses, incurred
27. by Seller by reason of any physical damage to the Property or injury to persons caused by Buyer or its agents or
28. contractors in exercising its rights under this Addendum, and shall return the Property to the same condition it was in
29. prior to Buyer's testing. Buyer shall not disturb any tenants, employees or occupants of the Property.

30. **Seller's Responsibility Regarding Due Diligence:** Seller agrees to allow reasonable access to the Property for
31. performance of any surveys, due diligence or inspections agreed to herein. Seller understands that the inspections
32. may require that all utilities be on and the Seller is responsible for providing same at Seller's expense. If the Property
33. is occupied by someone other than Owner, Owner shall comply with Minnesota law and existing Owner's lease, if any,
34. to provide tenant with proper notice in advance of any Property showing.

35. **A. ENVIRONMENTAL ASSESSMENTS/INSPECTIONS:**

36. (i) **Phase I:** This Purchase Agreement IS IS NOT contingent upon BUYER SELLER
------(Check one.)-----

37. obtaining a Phase I environmental site assessment of the Property at BUYER'S SELLER'S expense
------(Check one.)-----

38. within _____ days of Final Acceptance Date of this Purchase Agreement.

39. Buyer shall provide reasonable approval of the Phase I environmental site assessment within

40. _____ days of either:

41. (a) Final Acceptance Date of this Purchase Agreement if the Phase I environmental site assessment is
42. obligated to be obtained by Buyer; or

43. (b) receipt of the Phase I environmental site assessment if Seller is obligated to obtain.

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45. Property located at 2936-2940 Harriet Ave S Minneapolis.

46. (ii) **Phase II:** This Purchase Agreement IS IS NOT contingent upon BUYER SELLER
-----*(Check one.)*-----
47. obtaining a Phase II environmental site assessment of the Property at BUYER SELLER
-----*(Check one.)*-----
48. expense within _____ days of Final Acceptance Date of this Purchase Agreement.
49. Buyer shall provide reasonable approval of the Phase II environmental site assessment within
50. _____ days of either:
51. (a) Final Acceptance Date of this Purchase Agreement if the Phase II environmental site assessment is
52. obligated to be obtained by Buyer; or
53. (b) receipt of the Phase II environmental site assessment if Seller is obligated to obtain.

54. (iii) **Other Testing:** This Purchase Agreement IS IS NOT contingent upon BUYER SELLER
-----*(Check one.)*-----
55. obtaining other Intrusive Testing of the Property at BUYER'S SELLER'S expense within
-----*(Check one.)*-----
56. _____ days of Final Acceptance Date of this Purchase Agreement.
57. Buyer shall provide reasonable approval of the assessment/inspection within
58. _____ days of either:
59. (a) Final Acceptance Date of this Purchase Agreement if the assessment/inspection is obligated to be obtained
60. by Buyer; or
61. (b) receipt of the assessment/inspection if Seller is obligated to obtain.

62. For purposes of this form, "Intrusive Testing" shall mean any testing, inspection(s) or investigation(s) that
63. changes the Property from its original condition or otherwise damages the Property.

64. Buyer SHALL SHALL NOT be required to provide Seller with a copy of any assessment/inspection
-----*(Check one.)*-----
65. reports obtained by Buyer.

66. (iv) **Seller's Representations on Environmental Concerns:** To the best of Seller's knowledge, there are no
67. hazardous substances or underground storage tanks except herein noted:
68. _____
69. _____
70. _____

71. **B. GOVERNMENTAL APPROVAL:** The following items, if applicable, shall be completed within
72. _____ days of Final Acceptance Date of this Purchase Agreement.

73. (i) This Purchase Agreement IS IS NOT contingent upon Buyer obtaining approval of governing body of
-----*(Check one.)*-----
74. development or subdivision plans, as described below, at BUYER SELLER expense. If IS, Seller shall
-----*(Check one.)*-----
75. cooperate with Buyer to obtain such approval.
76. _____

77. (ii) This Purchase Agreement IS IS NOT contingent upon Buyer obtaining approval of governing body for
-----*(Check one.)*-----
78. rezoning or use permits, as described below, at BUYER SELLER expense. If IS, Seller shall
-----*(Check one.)*-----
79. cooperate with Buyer to obtain such approval.
80. _____
81. _____

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83. Property located at 2936-2940 Harriet Ave S Minneapolis.

84. **C. OTHER CONTINGENCIES:** This Purchase Agreement is contingent upon Buyer's reasonable approval of the
85. following items, if checked. Buyer shall approve the items within _____ days of either:
86. (a) Final Acceptance Date of this Purchase Agreement if Buyer is obligated to obtain the item; or
87. (b) receipt of the item if Seller is obligated to obtain the item.
88. *(Select appropriate options i-vi.)*

89. (i) **BUYER** **SELLER** obtaining a certificate of survey of the Property, at **BUYER** **SELLER**
90. expense.
-----*(Check one.)*-----

91. (ii) **BUYER** **SELLER** obtaining soil tests which indicate that the Property may be improved without
92. extraordinary building methods or costs, at **BUYER** **SELLER** expense.
-----*(Check one.)*-----

93. (iii) **BUYER** **SELLER** obtaining copies of all covenants, reservations and restrictions affecting the Property,
94. at **BUYER** **SELLER** expense.
-----*(Check one.)*-----

95. (iv) **BUYER** **SELLER** obtaining and approving copies of Association documents at **BUYER** **SELLER**
96. expense.
-----*(Check one.)*-----

97. (v) Buyer obtaining from Seller copies of all documents in Seller's possession or control relating to the rights
98. of tenants, including but not limited to, rent rolls, leases, common area maintenance fees, and estoppel
99. certificates.

100. Seller assigns all right, title, and interest in and to the tenant security deposits and the interest earned, if
101. any, and credited thereon (collectively, the Security Deposits) for the Property at closing. Seller warrants
102. that the Security Deposits being assigned are all of the Security Deposits being held for tenants at the
103. Property. Seller shall, immediately after closing, notify tenant of the Security Deposit transfer and of Buyer's
104. name and address as required under MN Statute 504B.178, Subd. 5. Buyer agrees to hold and apply all
105. of the Security Deposits in accordance with the terms of the leases of the Property pursuant to MN Statute
106. 504B.178 and indemnify and agree to hold and defend Seller, its legal representatives, successors and
107. assigns harmless from and against any and all claims, actions, suits, proceedings, demands, assessments,
108. judgments, liabilities and costs including, without limitation, reasonable attorney's fees and expenses of
109. any kind whatsoever, arising from and after the date of closing asserted by said tenants or any person or
110. persons claiming under any of them with respect to any of the Security Deposits.

111. (vi) Buyer obtaining from Seller copies of all permits applicable to the Property, operating statements for the
112. last 2 years, vendor contracts, and any other documents in Seller's possession or
113. control and relating to the Property.

114. Buyer acknowledges that Seller makes no representations or warranties by providing any documents to
115. Buyer. Buyer agrees to return all such documents to Seller upon Seller's written request.

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117. Property located at 2936-2940 Harriet Ave S Minneapolis .

118. **D. BUYER INVESTIGATIONS:** This Purchase Agreement **IS** **IS NOT** contingent upon Buyer's investigations
-----*(Check one.)*-----

119. of the Property for Buyer to satisfy himself/herself/itself with respect to the physical condition of the Property and
120. the feasibility and suitability of the Property for Buyer's intended purpose. Any Buyer investigations shall be
121. completed within 10 days of Final Acceptance Date of this Purchase
122. Agreement. All Buyer investigations shall be at Buyer's sole cost and expense.

123. **SELLER**

BUYER

124. _____

125. By: _____

By: Balance Properties III, LLC

126. Its: _____
(Title)

Its: Morgan Luzier, Authorized Signer
(Title)

127. _____
(Date)

(Date)

128. **SELLER**

BUYER

129. _____

130. By: _____

By: _____

131. Its: _____
(Title)

Its: _____
(Title)

132. _____
(Date)

(Date)

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