

## SIMULTANEOUS TRADE AGREEMENT

This Agreement is entered into by and between the City of Blue Earth, Minnesota, hereinafter referred to as "EXCHANGER I" and the Faribault County Agricultural Society, hereinafter referred to as "EXCHANGER II".

### RECITALS

1. EXCHANGER I owns the real property located in Faribault County, Minnesota described on the attached Exhibit "A."
2. EXCHANGER II owns the real property located in Faribault County which is also referred to as the "Replacement Property" described on the attached Exhibit "B."
3. The EXCHANGER I and EXCHANGER II desire only to simultaneously exchange Exhibit "A" and "B" property as like kind property, hereinafter referred to as "replacement property" in such a way as to qualify for tax deferred treatment under IRC Section 1031 and similar state statutes; and
4. EXCHANGER I and EXCHANGER II further desire that EXCHANGER I shall retain a right of first refusal in the real property to be transferred to EXCHANGER II as equalizing consideration for the difference in the size of the two exchanged tracts.
5. The Parties also further agree to transfer all structures and fixtures upon said tracts of real property as part of the exchange.

WHEREAS, the property described in Exhibit "A" owned by EXCHANGER I has a value of \$1.00 and the property described and owned by EXCHANGER II is valued at \$1.00;

NOW, THEREFORE, The parties hereto agree as follows:

1. Subject to and conditioned upon the terms and conditions set forth in this agreement, EXCHANGER I, hereby agrees to convey property described in Exhibit "A" to EXCHANGER II and EXCHANGER II hereby agrees to convey to EXCHANGER I in exchange for property described on Exhibit "A" the replacement property described on Exhibit "B" having an aggregate exchange value equal to the exchange value of property described on Exhibit "A".
2. Any mortgage liens or other security in such land shall be released from such liens on the date of the exchange.
3. TAXES. Taxes due and payable on the property in 2012 and prior years shall be paid by the present owner. Taxes due and payable in 2013 and installments of special assessments payable in 2013 and thereafter shall be paid by each owner on the property received in the trade.
4. At closing the parties shall convey all of their right, title and interest in and to property

described on Exhibit "A", subject to the right of first refusal which EXCHANGER I shall reserve, and Exhibit "B" by delivery to EXCHANGER II of a limited warranty deed conveying such Exhibit "A" and by delivery of a warranty deed to EXCHANGER I of property described on Exhibit "B".

5. ENVIRONMENTAL DISCLOSURES. To the best of the EXCHANGERS' knowledge there are no hazardous wastes, underground storage tanks or wells located on any of the described property.

6. COSTS. The costs of the transaction will be divided between the parties equally.

7. COVENANTS AND WARRANTIES. Transferors, under this agreement hereby warrant that they have not received any notice from any governmental authority as to violation of any law, ordinance, or regulation with respect to the property or any of the structures thereon. If the property is subject to restrictive covenants the transferring property warrants that the transferring party has not received any notice from any person or authority as to breach of the covenants. Any notices received by transferors will be provided to transferee immediately.

8. TITLE EXAMINATION. The parties shall furnish to each other within a reasonable time after approval of this agreement, an abstract of title certified to date to include proper searches, covering bankruptcy, estate and federal judgments and liens all as required for title examination. This requirement may be waived if both parties agree.

The party receiving the abstract shall have 15 days, after receipt of the updated abstract, for examination of said title and the making of any objections thereon. Said objections shall be made in writing or deemed to be waived. If any objections are so made, the parties shall reestablish the closing date of this transaction to a date so that the objections can be cured. Such date shall not exceed 120 days from the date of receipt of the objection. If the objections are not cured within the 120 day period, any of the parties may declare this agreement to be null and void and any monies paid hereunder by waive of earnest money shall be refunded.

9. CONTINGENT upon city authority to transfer this exchange, agreement is contingent upon approval and adoption of any effective Ordinance of the Blue Earth City Council and the citizens of Blue Earth pursuant to the Blue Earth City Charter, Section 12.02 of said Charter, whereby an election may be required for approval of said Ordinance.

10. CLOSING. All of the above transactions will close simultaneously on April 1, 2013 at the office of Frundt & Johnson, Ltd., 117 West Fifth Street, Blue Earth, Minnesota 56013.

11. DEFAULT. If there is a default in any of the agreements herein, any non defaulting party may foreclose this agreement and the funds and escrow shall be paid to the parties entitled thereto according to law.

12. David F. Frundt and Frundt & Johnson, Ltd. are acting as counsel to both parties for purposes of memorializing their agreement and drafting documents for closing. Any conflict of

interest in acting in such capacity for both parties is hereby waived and consented to.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

EXCHANGER I  
CITY OF BLUE EARTH

EXCHANGER II  
FARIBAULT COUNTY AGRICULTURAL  
SOCIETY

By \_\_\_\_\_  
Its Mayor

By \_\_\_\_\_  
Its President

By \_\_\_\_\_  
Its City Administrator

By \_\_\_\_\_  
Its Secretary

STATE OF MINNESOTA

SS

COUNTY OF FARIBAULT

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2013 by Richard Scholtes, the Mayor and Kathy Bailey, the City Administrator

\_\_\_\_\_  
Notary Public

STATE OF MINNESOTA

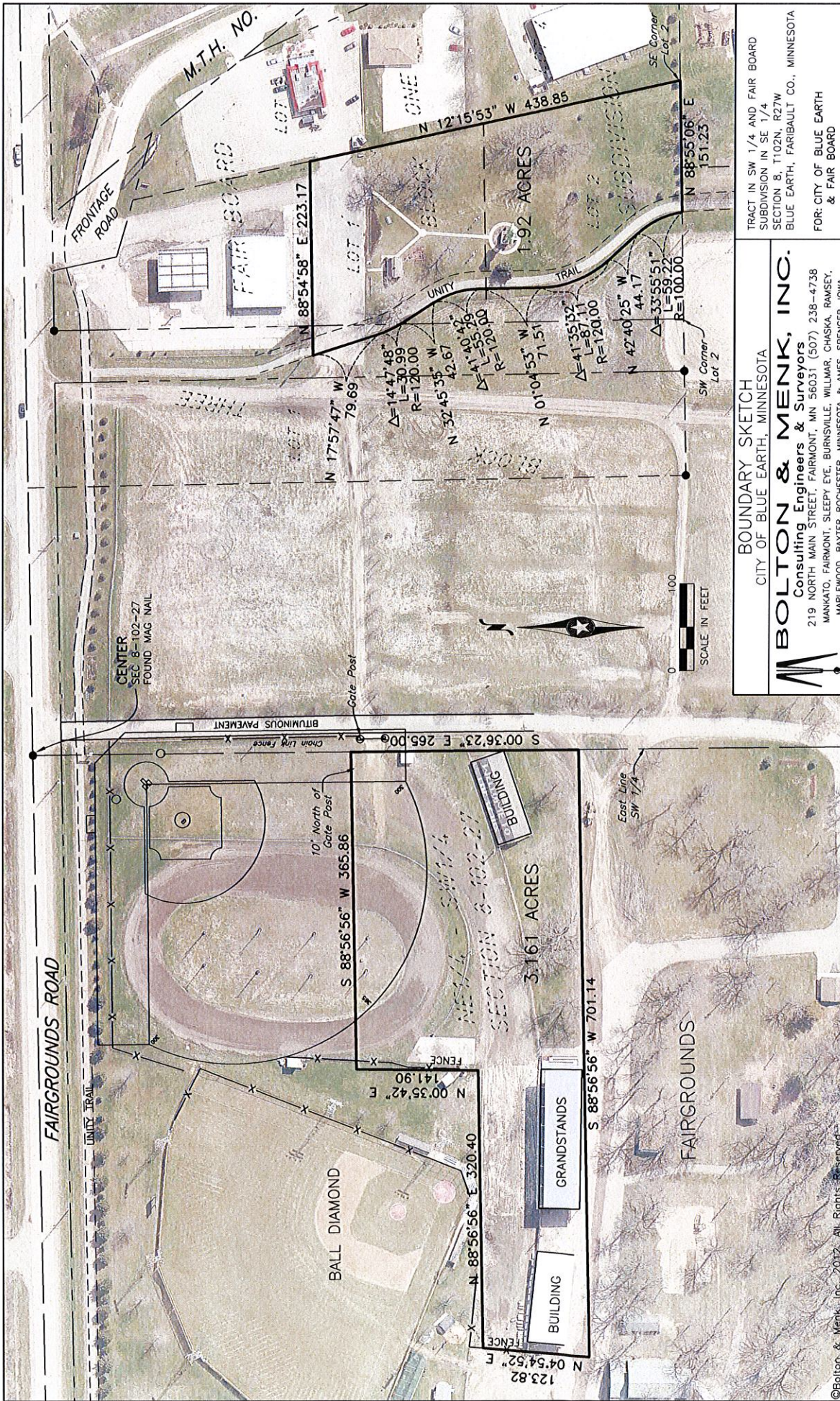
SS

COUNTY OF FARIBAULT

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2013 by \_\_\_\_\_, the President and \_\_\_\_\_, the Secretary of the Faribault County Agricultural Society.

\_\_\_\_\_  
Notary Public

This Instrument drafted by:  
David F. Frundt  
FRUNDT & JOHNSON, LTD.  
117 West Fifth Street  
Blue Earth, MN 56013



TRACT IN SW 1/4 AND FAIR BOARD  
 SUBDIVISION IN SE 1/4  
 SECTION 8, T102N, R27W  
 BLUE EARTH, FAIRBAULT CO., MINNESOTA  
 FOR: CITY OF BLUE EARTH  
 & FAIR BOARD

**BOLTON & MENK, INC.**  
 Consulting Engineers & Surveyors  
 219 NORTH MAIN STREET, FAIRMONT, MN 56031 (507) 238-4738  
 MANKATO, FAIRMONT, SLEEPY EYE, BURNSVILLE, WILLMAR, CHASKA, RAMSEY,  
 MAPLEWOOD, BAXTER, ROCHESTER, MINNESOTA & AMES, SPENCER, IOWA

BOUNDARY SKETCH  
 CITY OF BLUE EARTH, MINNESOTA  
 JOB NUMBER: F17.104455 FIELD BOOK: SDB10455H  
 DRAWN BY: DECA

I:\BLUE\F17104455\BE FAIRGROUNDS LAND SWAP\C3D\104455B03.DWG 12-19-2012 11:05a.m. SDB10455H

EXHIBIT "A"

Tract "A" A tract of land in the Northeast Quarter of the Southwest Quarter of Section 8, Township 102 North, Range 27 West, in the City of Blue Earth, Faribault County, Minnesota described as follows:

Commencing at the Center of said Section 8; thence South 00 degrees 36 minutes 23 seconds East, along the east line of the Southwest Quarter of said Section 8, a distance of 407.45 feet to the point of beginning; thence continuing South 00 degrees 36 minutes 23 seconds East, along said east line, a distance of 265.00 feet; thence South 88 degrees 56 minutes 56 seconds West, a distance of 701.14 feet; thence North 04 degrees 54 minutes 52 seconds East, a distance of 123.82 feet; thence North 88 degrees 56 minutes 56 seconds East, a distance of 320.40 feet; thence North 00 degrees 35 minutes 42 seconds East, a distance of 141.90 feet; thence North 88 degrees 56 minutes 56 seconds East, a distance of 365.86 feet to the point of beginning. Said tract contains 3.161 acres of land.

EXHIBIT "B"

Tract "B" A tract of land in Lots 1 and 2, Block One and the previously vacated street lying between Blocks One and Three of Fair Board Subdivision according to the plat thereof on file and of record in the office of the County Recorder in the City of Blue Earth, Faribault County, Minnesota described as follows:

Beginning at the Southeast corner of said Lot 2, thence South 88 degrees 55 minutes 06 seconds West, along the South line of said Lot 2, a distance of 151.23 feet to a circular curve, concave westerly and having a radius of 100.00 feet; thence northerly along said curve through a central angle of 33 degrees 55 minutes 51 seconds an arc length of 59.22 feet; thence North 42 degrees 40 minutes 25 seconds West, a distance of 44.17 feet to a circular curve, concave easterly and having a radius of 120.00 feet; thence northerly along said curve through a central angle of 41 degrees 35 minutes 32 seconds an arc length of 87.11 feet; thence North 01 degree 04 minutes 53 seconds West, a distance of 71.51 feet to a circular curve, concave westerly and having a radius of 100.00 feet; thence northerly along said curve through a central angle of 31 degrees 40 minutes 42 seconds an arc length of 55.29 feet; thence North 32 degrees 45 minutes 35 seconds West, a distance of 42.67 feet to a circular curve concave northeasterly and having a radius of 120.00 feet; thence northwesterly along said circular curve through a central angle of 14 degrees 47 minutes 48 seconds an arc length of 30.99 feet; thence North 17 degrees 57 minutes 47 seconds West, a distance of 79.69 feet to a line lying parallel with and 298.70 feet south (measured at right angles) of the North line of said Lot 1; thence North 88 degrees 54 minutes 58 seconds East, along said line, a distance of 223.17 feet to the east line of said Lot 1; thence South 12 degrees 15 minutes 53 seconds East, along said east line and the east line of said Lot 2, a distance of 438.85 feet to the point of beginning. Said tract contains 1.92 acres of land.