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June 1, 2017

**VIA ELECTRONIC FILING**

Mr. Daniel P. Wolf, Executive Secretary  
MN Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
St. Paul, MN 55101-2147

**RE: Minnesota Power's Petition for Approval of a Purchase Agreement Between  
Minnesota Power and the United Way of Northeastern Minnesota, Inc.  
Docket No: E015/M-17-\_\_\_\_\_**

Dear Mr. Wolf:

Please find attached for filing with the Minnesota Public Utilities Commission ("Commission") Minnesota Power's Petition in the above Docket.

Yours truly,

Christopher D. Anderson

jmn  
Attachments

STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of the Petition  
of Minnesota Power for  
Approval of a Purchase  
Agreement with the United  
Way of Northeastern  
Minnesota regarding the  
Chisholm Service Center

Docket No. E015/M-17-\_\_\_

**SUMMARY OF FILING**

PLEASE TAKE NOTICE that on June 1, 2017 Minnesota Power ("MP") filed a Petition with the Minnesota Public Utilities Commission ("MPUC" or "Commission") seeking approval of a Purchase Agreement between MP and the United Way of Northeastern Minnesota, Inc. Under the Purchase Agreement, MP intends to sell its Chisholm Service Center for \$300,000. The Purchase Agreement requires prior Commission approval pursuant to Minn. Stat. §216B.50.

STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of the Petition of Minnesota Power for Approval of a Purchase Agreement with the United Way of Northeastern Minnesota, Inc. Regarding the Sale of the Chisholm Service Center

E015/M-17-\_\_\_\_

**PETITION FOR APPROVAL**

**INTRODUCTION**

Minnesota Power ("MP") hereby petitions the Minnesota Public Utilities Commission ("MPUC" or "Commission") for approval of a Purchase Agreement between MP and the United Way of Northeastern Minnesota, Inc. ("United Way"). Under the Purchase Agreement (which is attached as Exhibit A to this Petition), MP intends to sell its Chisolm Service Center to the United Way for \$300,000. This Petition is filed pursuant to Minn. Stat. §216B.50 and Minn. Rules Part 7825.1600-1800. MP believes that the Purchase Agreement is in the public interest and satisfies all of the criteria under the statute and Rules and should be approved by the Commission.

**I. GENERAL FILING INFORMATION**

Pursuant to Minn. Rules Part 7825.1300, Subpart 3, MP provides the following general information:

**A. NAME, ADDRESS AND TELEPHONE NUMBER OF UTILITY**

Minnesota Power  
30 West Superior Street  
Duluth, MN 55802  
218-722-2641

**B. NAME, ADDRESS AND TELEPHONE NUMBER OF UTILITY ATTORNEY**

Christopher D. Anderson  
Minnesota Power  
30 West Superior Street  
Duluth, MN 55802  
218-723-3961

**C. DATE OF FILING AND DATE PROPOSED AGREEMENT WILL TAKE EFFECT**

This Petition is being filed on June 1, 2017. MP requests approval of the Purchase Agreement as of its effective date.

**D. STATUTE CONTROLLING SCHEDULE FOR PROCESSING THE FILING**

The applicable statute is Minn. Stat. §216B.50 and Minn. Rules Part 7825.1600-1800. These provisions do not establish an explicit time deadline for Commission action.

**E. TITLE OF UTILITY EMPLOYEE RESPONSIBLE FOR FILING**

Christopher D. Anderson  
Minnesota Power  
30 West Superior Street  
Duluth, MN 55802  
218-723-3961

**II. DESCRIPTION OF FILING**

**A. BACKGROUND**

MP is an electric utility incorporated under the laws of Minnesota. MP operates in a service territory which includes substantial parts of northern Minnesota, including the City of Chisholm.

The existing Chisholm Service Center was built to accommodate office and administrative functions as well as service, repair and metering personnel.



MP has determined that the present service center is too large and too expensive to meet its current minimal needs, and has chosen to sell it at a reduced price (compared to book value) as part of its support of the United Way. The United Way's purchase of the Service Center is being funded by a donation from a Minnesota business leader who is a Chisholm native.

**B. THE 2017 PURCHASE AGREEMENT**

Minnesota Power and the United Way reached an agreement whereby Minnesota Power will sell the Service Center to the United Way upon Commission approval. The Purchase Agreement, which is attached as Exhibit A, is a straightforward commercial real estate agreement. The Purchase Agreement sets the price at \$300,000 to be paid at closing. The purchase price is supported by an informal market analysis (attached as Exhibit B) prepared by a local real estate firm that provided a reasonable market value of \$285,000 based upon data back to 1996 and considering comparison data for fourteen similar property types on the market at the time the Purchase Agreement was executed.

**C. THE PURCHASE AGREEMENT IS IN THE PUBLIC INTEREST**

Minn. Stat. §216B.50 requires that transfers "of any plant as an operating unit or system" involving an utility in which the value of the property exceeds \$100,000 must be approved by the Commission. Minn. Rules Part 7825.166, Subpart 8, likewise incorporates the concept of an "operating unit or system" in requiring approval. In any event, the Purchase Agreement is clearly in the public interest and approval should be granted.

Minnesota Power has consolidated its field operations over time, and the assets and labor formerly housed in the Chisolm Service Center have been relocated to other local service centers on the Range with no diminishment of service, and no loss of jobs. The sale of the

Chisolm Service Center will serve to keep MP's costs down and provide an appropriate site for another essential public service (the United Way) while continuing to benefit MP's customers.

The book value of the Chisolm Service Center is \$726,819.89 (which amount consists of Land/Land Rights and Structures and Improvements). The difference between the book value and the sale price will not be recovered from Minnesota Power ratepayers. The accounting entries supporting the sale are included as Exhibit C.

Minn. Stat. §216B.50 governs the Commission's review of this Petition. This statute provides, in relevant part:

Upon the filing of an application for the approval and consent of the commission thereto the commission shall investigate, with or without public hearing, and in case of a public hearing, upon such notice as the commission may require, and if it shall find that the proposed action is consistent with the public interest it shall give its consent and approval by order in writing.

Id. (emphasis added). Thus, if the Commission finds that the transaction is "consistent with the public interest," it must approve the Petition.

In prior cases, the MPUC established that this standard "does not require an affirmative finding of public benefit, just a finding that the transaction is compatible with the public interest." *In the Matter of the Proposed Merger of Minnegasco, Inc. With and Into ARKLA, Inc.*, Order Approving Merger, Docket No. G-008/PA-90-604 (1990). As recently as February 24, 1997, the Commission reconfirmed this standard in its approval of the merger *In the Matter of the Proposed Merger of Minnegasco, Inc. With and Into Houston Industries, Inc. and Houston Lighting and Power Co.*, Docket No. G-008/PA-96-950. In that matter, the MPUC approved a merger that had no rate reductions or freezes. The statute does not require that proposed transactions affirmatively benefit ratepayers or the public or that they otherwise

promote the public interest. They cannot, however, contravene the public interest and must be shown to be compatible with it. *Id.*, p.4.

The sale of the Chisholm Service Center easily meets the Commission's standard under Section 50.

#### **D. FILING COMPLIANCE AND VARIANCE REQUEST**

The effectiveness of the Purchase Agreement is contingent upon MPUC approval. Moreover, the information provided with this Petition meets the requirements of the relevant Rules. Under Section 50, the Commission must consider the "reasonable value" of the property transferred. The information provided, including the information on how MP will treat the difference between the purchase price and the book value of the property, gives the Commission ample basis for making that determination.

In addition, however, a Section 50 filing must contain information required by Minn. Rules Part 7825.1400 and 7825.1800. These Rules are primarily designed to collect information pertinent to capital structure filings and for the purpose of investigating the issuance of securities and MP requests a variance from the application of such Rules in this Petition. The Commission shall grant a variance to its rules when it determines that the following requirements are met:

- a. enforcement of the rule would impose an excessive burden upon the applicant or others affected by the rule;
- b. granting the variance would not adversely affect the public interest; and
- c. granting the variance would not conflict with standards imposed by law.

MP believes that these Rules have no direct relevance to ascertaining the reasonableness of small property transfers such as the sale of the Chisolm Service Center; while the burden may not be excessive, the information that would result is not relevant to the Commission's analysis. Consequently, to the extent the informational requirement of Minn. Rules Part 7825.1400 and 1800 apply to this Docket, MP seeks a variance since those requirements are irrelevant. The public interest is not harmed by the absence of such information, and there is no conflict with

any other law, Rule or regulation if the variance is granted. In any event, MP has provided the acquisition price and the book value referenced in these Rules. The public interest will not be adversely affected and no other applicable law or statute will be violated; a variance is justified.

**III. MISCELLANEOUS INFORMATION**

A. Pursuant to Minn. Rules 7829.0700, MP requests that the following persons be placed on the Commission's official service list for this proceeding:

Christopher D. Anderson  
Minnesota Power  
30 West Superior Street  
Duluth, MN 55802  
218-723-3961

**B. SERVICE ON OTHER PARTIES**

Pursuant to Minn. Rules Part 7829.1300, Subpart 2, MP has served a copy of the Summary prepared in accordance with Minn. Rules Part 7829.1300, Subpart 1, on all parties on its general service list. A copy of the general service list for this filing was also served on each such party. Copies of the entire Petition have been served on the Commission, the Department and the Office of Attorney General.

**C. SUMMARY OF FILING**

A one-paragraph summary of the Petition is attached pursuant to Minn. Rules Part 7829.1300, Subpart 1.

Dated: June 1, 2017

Respectfully submitted,



Christopher D. Anderson  
Associate General Counsel  
Minnesota Power  
30 W. Superior Street  
Duluth, MN 55802



COMMERCIAL PURCHASE AGREEMENT

This form approved by the Minnesota Association of REALTORS® and the Minnesota Commercial Association of REALTORS®, which disclaims any liability arising out of use or misuse of this form. © 2016 Minnesota Association of REALTORS®, Edina, MN

- 1. Date 01/24/2017
2. Page 1 of pages

3. BUYER (S): United Way of Northeastern Minnesota, Inc.

5. Buyer's earnest money in the amount of Five Hundred Dollars

7. (\$ 500.00 ) shall be delivered no later than two (2) Business Days after Final Acceptance Date of this Purchase Agreement to be deposited in the trust account of: (Check one.)

9. [X] listing broker; or
10. [ ] N/ (Name of Title Company)

11. within three (3) Business Days of receipt of the earnest money or Final Acceptance Date of this Purchase Agreement, whichever is later.

13. Said earnest money is part payment for the purchase of property at 608 East Dr.
14. 608 East Drive, Chisholm, MN located in the
15. City/Township of Chisholm MN, County of St. Louis,
16. State of Minnesota, PID # (s) 020-0082-00040

18. and legally described as follows Lots 4 thru 6, Block 1, Chisholm Industrial Park
20. (collectively the "Property")
21. together with the personal property as described in the attached Addendum to Commercial Purchase Agreement:
22. Personal Property, if any, all of which property the undersigned has this day sold to Buyer for the sum of:

23. Three Hundred Thousand

25. (\$ 300,000.00 ) Dollars, which Buyer agrees to pay in the following manner:

- 26. 1. CASH of 100 percent (%) of the sale price, or more in Buyer's sole discretion, which includes the earnest money; PLUS
28. 2. FINANCING of 0 percent (%) of the sale price. Buyer shall, at Buyer's sole expense, apply for any financing as required by this Purchase Agreement.

30. Such financing shall be: (Check one.) [ ] a first mortgage; [ ] a contract for deed; or [ ] a first mortgage with subordinate financing, as described in the attached Addendum to Commercial Purchase Agreement:
32. [ ] Conventional/SBA/Other [ ] Contract for Deed. (Check one.)

33. DUE DILIGENCE: This Purchase Agreement [ ] IS [X] IS NOT subject to a due diligence contingency. (If answer is IS, see attached see attached Addendum to Commercial Purchase Agreement: Due Diligence.)

35. CLOSING: The date of closing shall be On or About October 15, 20 17

36. DEED/MARKETABLE TITLE: Subject to performance by Buyer, Seller agrees to execute and deliver a: (Check one.)

37. [X] Warranty Deed, [ ] Limited Warranty Deed, [ ] Contract for Deed, or

- 38. [ ] Other: Deed conveying marketable title, subject to:
39. (a) building and zoning laws, ordinances, and state and federal regulations;
40. (b) restrictions relating to use or improvement of the Property without effective forfeiture provisions;
41. (c) reservation of any mineral rights by the State of Minnesota or other government entity;
42. (d) utility and drainage easements which do not interfere with existing improvements; and
43. (e) others (must be specified in writing):





## COMMERCIAL PURCHASE AGREEMENT

45. Page 2 Date 01/24/2017

46. Property located at 608 East Drive, Chisholm, MN
47. **TENANTS/LEASES:** Property  IS  IS NOT subject to rights of tenants (if answer is IS, see attached Addendum  
-----*(Check one.)*-----
48. to Commercial Purchase Agreement: *Due Diligence*).
49. Seller shall not execute leases from the date of this Purchase Agreement to the date of closing, the term of which lease  
50. extends beyond the date of closing, without the prior written consent of Buyer. Buyer's consent or denial shall be  
51. provided to Seller within N/A days of Seller's written request. Said consent  
52. shall not be unreasonably withheld.
53. **REAL ESTATE TAXES:** Real estate taxes due and payable in the year of closing shall be prorated between Seller and  
54. Buyer on a calendar year basis to the actual date of closing unless otherwise provided in this Purchase Agreement.  
55. Real estate taxes, including penalties, interest, and any associated fees, payable in the years prior to closing shall be  
56. paid by Seller. Real estate taxes payable in the years subsequent to closing shall be paid by Buyer.
57. **SPECIAL ASSESSMENTS:**
58.  BUYER AND SELLER SHALL PRORATE AS OF THE DATE OF CLOSING  SELLER SHALL PAY  
-----*(Check one.)*-----
59. on the date of closing all installments of special assessments certified for payment with the real estate taxes due and  
60. payable in the year of closing.
61.  BUYER SHALL ASSUME  SELLER SHALL PAY ON DATE OF CLOSING all other special assessments  
-----*(Check one.)*-----
62. levied as of the date of this Purchase Agreement.
63.  BUYER SHALL ASSUME  SELLER SHALL PROVIDE FOR PAYMENT OF special assessments pending as  
-----*(Check one.)*-----
64. of the date of this Purchase Agreement for improvements that have been ordered by any assessing authorities. (Seller's  
65. provision for payment shall be by payment into escrow of up to two (2) times the estimated amount of the assessments  
66. or less, as allowed by Buyer's lender.)
67. Buyer shall pay any unpaid special assessments payable in the year following closing and thereafter, the payment of  
68. which is not otherwise here provided.
69. As of the date of this Purchase Agreement, Seller represents that Seller  HAS  HAS NOT received a notice  
-----*(Check one.)*-----
70. regarding any new improvement project from any assessing authorities, the costs of which project may be assessed  
71. against the Property. Any such notice received by Seller after the date of this Purchase Agreement and before  
72. closing shall be provided to Buyer immediately. If such notice is issued after the date of this Purchase Agreement  
73. and on or before the date of closing, then the parties may agree in writing, on or before the date of closing, to pay,  
74. provide for the payment of, or assume the special assessments. In the absence of such agreement, either party may  
75. declare this Purchase Agreement canceled by written notice to the other party, or licensee representing or assisting the  
76. other party, in which case this Purchase Agreement is canceled. If either party declares this Purchase Agreement  
77. canceled, Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation  
78. and directing all earnest money paid here to be refunded to Buyer.
79. **POSSESSION:** Seller shall deliver possession of the Property: *(Check one.)*
80.  IMMEDIATELY AFTER CLOSING; or
81.  OTHER: \_\_\_\_\_
82. Seller agrees to remove ALL DEBRIS AND ALL PERSONAL PROPERTY NOT INCLUDED HERE from the Property  
83. by possession date.
84. **PRORATIONS:** All items customarily prorated and adjusted in connection with the closing of the sale of the Property  
85. here including but not limited to rents, operating expenses, interest on any debt assumed by Buyer, shall be prorated  
86. as of the date of closing. It shall be assumed that Buyer will own the Property for the entire date of the closing.
87. **RISK OF LOSS:** If there is any loss or damage to the Property between the Final Acceptance Date and the date of  
88. closing, for any reason, the risk of loss shall be on Seller. If the Property is destroyed or substantially damaged before  
89. the closing, this Purchase Agreement shall be canceled, at Buyer's option, if Buyer gives written notice to Seller, or licensee  
90. representing or assisting Seller, of such cancellation within thirty (30) days of the damage. Upon said cancellation,  
91. Buyer and Seller shall immediately sign a *Cancellation of Purchase Agreement* confirming said cancellation and  
92. directing all earnest money paid here to be refunded to Buyer.





## COMMERCIAL PURCHASE AGREEMENT

93. Page 3 Date 01/24/2017

94. Property located at 608 East Drive, Chisholm, MN
95. **EXAMINATION OF TITLE:** Seller shall, at its expense, within N/A days after Final
96. Acceptance of this Purchase Agreement, furnish to Buyer, or licensee representing or assisting Buyer, a commitment
97. for an owner's policy of title insurance from N/A, including levied  
(Name of Title Company)
98. and pending special assessments. Buyer shall be allowed ten (10) days ("Objection Period") after receipt of the
99. commitment for title insurance to provide Seller, or licensee representing or assisting Seller, with written objections.
100. Buyer shall be deemed to have waived any title objections not made within the Objection Period provided for immediately
101. above and any matters with respect to which title objection is so waived may be excepted from the warranties in the
102. Deed as specified here to be delivered pursuant to this Agreement.
103. **TITLE CORRECTIONS AND REMEDIES:** Seller shall have 30 days ("Cure Period") from receipt of Buyer's written title
104. objections to cure any title objections but shall not be obligated to do so. Upon receipt of Buyer's title objections,
105. Seller shall, within ten (10) days, notify Buyer, or licensee representing or assisting Buyer, in writing whether or not
106. Seller will endeavor to cure such objections within the Cure Period. Liens or encumbrances for liquidated amounts
107. created by instruments executed by Seller and which can be released by payment proceeds of closing shall not delay
108. the closing.
109. If Seller's notice states that Seller will not endeavor to cure one or more specified objections within the Cure Period,
110. Buyer may, as its sole remedy, within ten (10) days of the sending of such notice by Seller, declare this Purchase
111. Agreement canceled by written notice to Seller, or licensee representing or assisting Seller, in which case this Purchase
112. Agreement is canceled. If Buyer declares this Purchase Agreement canceled, Buyer and Seller shall immediately sign a
113. *Cancellation of Purchase Agreement* confirming said cancellation and directing all earnest money paid here to be
114. refunded to Buyer. If Buyer does not declare this Purchase Agreement canceled as provided immediately above, Buyer
115. shall be bound to proceed with the closing and to purchase the Property subject to the objections Seller has declined
116. to cure without reduction in the Purchase Price.
117. If Seller's notice states that Seller will endeavor to cure all of the specified objections, or if Seller's notice states that
118. Seller will endeavor to cure some, but not all, of the specified objections and Buyer does not declare this Purchase
119. Agreement canceled as provided above, Seller shall use commercially reasonable efforts to cure the specified objections
120. or those Seller has agreed to endeavor to cure and, pending correction of title, all payment required here and the
121. closing shall be postponed.
122. If Seller, within the Cure Period provided above, corrects the specified objections Seller's notice indicated Seller would
123. endeavor to cure, then upon presentation to Buyer, or licensee representing or assisting Buyer, of documentation
124. establishing that such objections have been cured, the closing shall take place within ten (10) days or on the scheduled
125. closing date, whichever is later.
126. If Seller, within the Cure Period provided above, does not cure the specified objections which Seller's notice indicated
127. Seller would endeavor to cure, Buyer may, as its sole remedy, declare this Purchase Agreement canceled by written
128. notice to Seller, or licensee representing or assisting Seller, given within five (5) days after the end of the Cure Period,
129. in which case this Purchase Agreement is canceled. Buyer and Seller shall immediately sign a *Cancellation of Purchase*
130. *Agreement* confirming said cancellation and directing all earnest money paid here to be refunded to Buyer. Neither
131. party shall be liable for damages here to the other. In the alternative, Buyer may elect to waive such objections by
132. providing written notice to Seller, or licensee representing or assisting Seller, within such five (5)-day period and accept
133. title subject to such uncured objections, in which event, Buyer shall be bound to proceed with the closing and to purchase
134. the Property subject to the objections Seller has not cured without reduction in the purchase price. If neither notice is
135. given by Buyer within such five (5)-day period, Buyer shall be deemed to have elected to waive the objections and to
136. proceed to closing as provided in the immediately preceding sentence.
137. If title is marketable, or is made marketable as provided here, and Buyer defaults in any of the agreements here,
138. Seller, in addition to any other right or remedy available to Seller here, at law or in equity may cancel this Purchase
139. Agreement as provided by either MN Statute 559.21 or MN Statute 559.217, whichever is applicable, and retain all
140. earnest money paid here as liquidated damages.
141. If title is marketable, or is made marketable as provided here, and Seller defaults in any of the agreements here,
142. Buyer may, in addition to any other right or remedy available to Buyer here, seek specific performance within six
143. (6) months after such right of action arises.





## COMMERCIAL PURCHASE AGREEMENT

144. Page 4 Date 01/24/2017

145. Property located at 508 East Drive, Chisholm, MN

146. **REPRESENTATIONS AND WARRANTIES OF SELLER:** The following representations made are to the best  
147. of Seller's knowledge.

148. There is no action, litigation, investigation, condemnation, or other proceeding of any kind pending or threatened against  
149. Seller or any portion of the Property. In the event Seller becomes aware of any such proceeding prior to closing, Seller  
150. will promptly notify Buyer of such proceeding.

151. The Property is in compliance with all applicable provisions of all planning, zoning, and subdivision rules; regulations;  
152. and statutes. Seller has obtained all necessary licenses, permits, and approvals necessary for the ownership and  
153. operation of the Property.

154. Prior to the closing, payment in full will have been made for all labor, materials, machinery, fixtures, or tools furnished  
155. within the 120 days immediately preceding the closing in connection with construction, alteration, or repair of any  
156. structure on, or improvement to, the Property.

157. Seller has not received any notice from any governmental authority as to condemnation proceedings, or violation of  
158. any law, ordinance, regulation, code, or order affecting the Property. If the Property is subject to restrictive covenants,  
159. Seller has not received any notice from any person or authority as to a breach of the covenants. Any such notices  
160. received by Seller shall be provided to Buyer immediately.

161. Seller has not executed any options to purchase, rights of first refusal, or any other agreements giving any person or  
162. other entity the right to purchase or otherwise acquire any interest in the Property, and Seller is unaware of any options  
163. to purchase, rights of first refusal, or other similar rights affecting the Property.

164. The legal description of the real property to be conveyed has been or shall be approved for recording as of the date  
165. of closing.

166. If Seller is an organized entity, Seller represents and warrants to Buyer that Seller is duly organized and is in good  
167. standing under the laws of the state of Minnesota; that Seller is duly qualified to transact business in the State of  
168. Minnesota; that Seller has the requisite organizational power and authority to enter into this Purchase Agreement and  
169. the Seller's Closing Documents signed by it; such documents have been duly authorized by all necessary action on  
170. the part of Seller and have been duly executed and delivered; that the execution, delivery, and performance by Seller of  
171. such documents do not conflict with or result in a violation of Seller's organizational documents or Bylaws or any judgment,  
172. order, or decree of any court or arbiter to which Seller is a party; and that such documents are valid and binding obligations  
173. of Seller, and are enforceable in accordance with their terms.

174. Seller will indemnify Buyer, its successors and assigns, against and will hold Buyer, its successors and assigns,  
175. harmless from, any expenses or damages, including reasonable attorneys' fees, that Buyer incurs because of the  
176. breach of any of the above representations and warranties, whether such breach is discovered before or after the date  
177. of closing.

178. See attached *Addendum to Commercial Purchase Agreement: Due Diligence*, if any, for additional representations  
179. and warranties.

180. **REPRESENTATIONS AND WARRANTIES OF BUYER:** If Buyer is an organized entity, Buyer represents and warrants  
181. to Seller that Buyer is duly organized and is in good standing under the laws of the state of Minnesota; that Buyer is  
182. duly qualified to transact business in the State of Minnesota; that Buyer has the requisite organizational power and  
183. authority to enter into this Purchase Agreement and the Buyer's Closing Documents signed by it; such documents  
184. have been duly authorized by all necessary action on the part of Buyer and have been duly executed and delivered;  
185. that the execution, delivery, and performance by Buyer of such documents do not conflict with or result in a violation  
186. of Buyer's organizational documents or Bylaws or any judgment, order, or decree of any court or arbiter to which Buyer  
187. is a party; and that such documents are valid and binding obligations of Buyer, and are enforceable in accordance with  
188. their terms. Buyer will indemnify Seller, its successors and assigns, against and will hold Seller, its successors and  
189. assigns, harmless from, any expenses or damages, including reasonable attorneys' fees, that Seller incurs because  
190. of the breach of any of the above representations and warranties, whether such breach is discovered before or after  
191. the date of closing.





COMMERCIAL PURCHASE AGREEMENT

192. Page 5 Date 01/24/2017

193. Property located at 508 East Drive, Chisholm, MN

194. TIME IS OF THE ESSENCE FOR ALL PROVISIONS OF THIS CONTRACT.

195. CALCULATION OF DAYS: Any calculation of days begins on the first day (calendar or Business Days as specified)
196. following the occurrence of the event specified and includes subsequent days (calendar or Business Days as specified)
197. ending at 11:59 P.M. on the last day.

198. BUSINESS DAYS: "Business Days" are days which are not Saturdays, Sundays, or state or federal holidays unless
199. stated elsewhere by the parties in writing.

200. DEFAULT: If Buyer defaults in any of the agreements here, Seller may cancel this Purchase Agreement, and any
201. payments made here, including earnest money, shall be retained by Seller as liquidated damages and Buyer and Seller
202. shall affirm the same by a written cancellation. In the alternative, Seller may seek all other remedies allowed by law.

203. If Buyer defaults in any of the agreements here, Seller may terminate this Purchase Agreement under the
204. provisions of either MN Statute 559.21 or MN Statute 559.217, whichever is applicable.

205. If this Purchase Agreement is not canceled or terminated as provided here, Buyer or Seller may seek actual damages
206. for breach of this Purchase Agreement or specific performance of this Purchase Agreement; and, as to specific
207. performance, such action must be commenced within six (6) months after such right of action arises.

208. SUBJECT TO RIGHTS OF TENANTS, IF ANY, BUYER HAS THE RIGHT TO VIEW THE PROPERTY PRIOR TO
209. CLOSING TO ESTABLISH THAT THE PROPERTY IS IN SUBSTANTIALLY THE SAME CONDITION AS OF THE
210. DATE OF THIS PURCHASE AGREEMENT.

211. DISCLOSURE NOTICE: If this Purchase Agreement includes a structure used or intended to be used as residential
212. property as defined under MN Statute 513.52, Buyer acknowledges Buyer has received a Disclosure Statement: Seller's
213. Property Disclosure Statement or Disclosure Statement: Seller's Disclosure Alternatives form.

214. (Check appropriate boxes.)

215. SELLER WARRANTS THAT THE PROPERTY IS EITHER DIRECTLY OR INDIRECTLY CONNECTED TO:

216. CITY SEWER [X] YES [ ] NO / CITY WATER [X] YES [ ] NO

217. SUBSURFACE SEWAGE TREATMENT SYSTEM

218. SELLER [ ] DOES [X] DOES NOT KNOW OF A SUBSURFACE SEWAGE TREATMENT SYSTEM ON OR SERVING
.....(Check one.).....

219. THE PROPERTY. (If answer is DOES, and the system does not require a state permit, see Disclosure Statement:
220. Subsurface Sewage Treatment System.)

221. PRIVATE WELL

222. SELLER [ ] DOES [X] DOES NOT KNOW OF A WELL ON OR SERVING THE PROPERTY. (If answer is DOES and well
.....(Check one.).....

223. is located on the Property, see Disclosure Statement: Well.)

224. THIS PURCHASE AGREEMENT [ ] IS [X] IS NOT SUBJECT TO AN ADDENDUM TO PURCHASE AGREEMENT:
.....(Check one.).....

225. SUBSURFACE SEWAGE TREATMENT SYSTEM AND WELL INSPECTION CONTINGENCY.

226. (If answer is IS, see attached Addendum.)

227. IF A WELL OR SUBSURFACE SEWAGE TREATMENT SYSTEM EXISTS ON THE PROPERTY, BUYER HAS
228. RECEIVED A DISCLOSURE STATEMENT: WELL AND/OR A DISCLOSURE STATEMENT: SUBSURFACE SEWAGE
229. TREATMENT SYSTEM.





COMMERCIAL PURCHASE AGREEMENT

230. Page 6 Date 01/24/2017

231. Property located at 608 East Drive, Chisholm, MN

232. NOTICE
233. Greg Perrella (Licensee) is [ ] Seller's Agent [ ] Buyer's Agent [X] Dual Agent [ ] Facilitator.
234. Perrella & Associates (Real Estate Company Name)
235. (Licensee) is [ ] Seller's Agent [ ] Buyer's Agent [ ] Dual Agent [ ] Facilitator.
236. (Real Estate Company Name)

237. DUAL AGENCY DISCLOSURE: Dual agency occurs when one broker or salesperson represents both parties to a
238. transaction, or when two salespersons licensed to the same broker each represent a party to the transaction. Dual
239. agency requires the informed consent of all parties, and means that the broker or salesperson owes the same fiduciary
240. duties to both parties to the transaction. This role limits the level of representation the broker and salespersons can
241. provide, and prohibits them from acting exclusively for either party. In dual agency, confidential information about price,
242. terms, and motivation for pursuing a transaction will be kept confidential unless one party instructs the broker or
243. salesperson in writing to disclose specific information about him or her. Other information will be shared. Dual agents
244. may not advocate for one party to the detriment of the other.

245. CONSENT TO DUAL AGENCY
246. Broker represents both parties involved in the transaction, which creates a dual agency. This means that Broker and
247. its salespersons owe fiduciary duties to both parties. Because the parties may have conflicting interests, Broker and its
248. salespersons are prohibited from advocating exclusively for either party. Broker cannot act as a dual agent in this
249. transaction without the consent of both parties. Both parties acknowledge that
250. (1) confidential information communicated to Broker which regards price, terms, or motivation to buy, sell, or lease will
251. remain confidential unless the parties instruct Broker in writing to disclose this information. Other information will
252. be shared;
253. (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and
254. (3) within the limits of dual agency, Broker and its salesperson will work diligently to facilitate the mechanics of the
255. sale.
256. With the knowledge and understanding of the explanation above, the parties authorize and instruct Broker and its
257. salespersons to act as dual agents in this transaction.
258. SELLER: Minnesota Power a division of ALLETE Inc. BUYER: United Way of Northeastern MN, Inc.
259. By: [Signature] Shelley Valentini
260. Its: Christopher E. Fleege, Senior VP - MP Operations Its: Shelley Valentini / Executive Director
261. March 14, 2017 03/14/2017
262. SELLER: BUYER: United Way of Northeastern MN, Inc.
263. By: Bruce Kingsley
264. Its: Bruce Kingsley
265. 03/14/2017





## COMMERCIAL PURCHASE AGREEMENT

266. Page 7 Date 01/24/2017267. Property located at 608 East Drive, Chisholm, MN268. **SUCCESSORS AND ASSIGNS:** All provisions of this Purchase Agreement shall be binding on successors and assigns.269. **CLOSING COSTS:** Buyer or Seller may be required to pay certain closing costs, which may effectively increase the  
270. cash outlay at closing or reduce the proceeds from the sale.271. **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA"):** Section 1445 of the Internal Revenue Code  
272. provides that a transferee ("Buyer") of a United States real property interest must be notified in writing and must withhold  
273. tax if the transferor ("Seller") is a foreign person and no exceptions from FIRPTA withholding apply. Buyer and Seller  
274. agree to comply with FIRPTA requirements under Section 1445 of the Internal Revenue Code.275. Seller shall represent and warrant, under the penalties of perjury, whether Seller is a "foreign person" (as the same  
276. is defined within FIRPTA), prior to closing. Any representations made by Seller with respect to this issue shall survive  
277. the closing and delivery of the deed.278. Buyer and Seller shall complete, execute, and deliver, on or before closing, any instrument, affidavit, or statement  
279. reasonably necessary to comply with the FIRPTA requirements, including delivery of their respective federal taxpayer  
280. identification numbers or Social Security numbers.281. Due to the complexity and potential risks of failing to comply with FIRPTA, including the Buyer's responsibility for  
282. withholding the applicable tax, Buyer and Seller should **seek appropriate legal and tax advice regarding FIRPTA**  
283. **compliance, as the respective licensees representing or assisting either party will be unable to assure either**  
284. **party whether the transaction is exempt from FIRPTA withholding requirements.**285. **NOTE:** MN Statute 500.21 establishes certain restrictions on the acquisition of title to agricultural land by aliens and  
286. non-American corporations. Please seek appropriate legal advice if this Purchase Agreement is for the sale  
287. of agricultural land and Buyer is a foreign person.288. **ACCEPTANCE DEADLINE.** This offer to purchase, unless accepted sooner, shall be withdrawn at 11:59 p.m.,289. N/A, 20      , and in such event all earnest money shall be returned to Buyer.

~~290. **CONDEMNATION:** If, prior to the closing date, condemnation proceedings are commenced against all or any part  
291. of the Property, Seller or licensee representing or assisting Seller, shall immediately give written notice to Buyer, or  
292. licensee representing or assisting Buyer, of such fact and Buyer may, at Buyer's option (to be exercised within 30  
293. days after Seller's notice), declare this Purchase Agreement canceled by written notice to Seller or licensee representing  
294. or assisting Seller, in which case this Purchase Agreement is canceled and neither party shall have further obligations  
295. under this Purchase Agreement. In the event Buyer declares the Purchase Agreement canceled, Buyer and Seller  
296. shall immediately sign a written cancellation confirming such cancellation and directing all earnest money paid  
297. here to be refunded to Buyer. If Buyer fails to give such written notice, then Buyer shall be bound to proceed with  
298. closing, subject to any other contingencies to this Purchase Agreement. In such event, there shall be no reduction in  
299. the purchase price, and Seller shall assign to Buyer at the closing date all of Seller's rights, title and interest in and to  
300. any award made or to be made in the condemnation proceedings. Prior to the closing date, Seller shall not designate  
301. counsel, appear in, or otherwise act with respect to, the condemnation proceedings without Buyer's prior written consent.~~

~~302. **MUTUAL INDEMNIFICATION:** Seller and Buyer agree to indemnify each other against, and hold each other harmless  
303. from, all liabilities (including reasonable attorneys' fees in defending against claims) arising out of the ownership,  
304. operation, or maintenance of the Property for their respective periods of ownership. Such rights to indemnification will  
305. not arise to the extent that (a) the party seeking indemnification actually receives insurance proceeds or other cash  
306. payments directly attributable to the liability in question (net of the cost of collection, including reasonable attorneys'  
307. fees); or (b) the claim for indemnification arises out of the act or neglect of the party seeking indemnification. If, and  
308. to the extent that, the indemnified party has insurance coverage, or the right to make claim against any third party for  
309. any amount to be indemnified against, as set forth above, the indemnified party will, upon full performance by the  
310. indemnifying party of its indemnification obligations, assign such rights to the indemnifying party or, if such rights are  
311. not assignable, the indemnified party will diligently pursue such rights by appropriate legal action or proceeding and  
312. assign the recovery and/or right of recovery to the indemnifying party to the extent of the indemnification payable made  
313. by such party.~~





## COMMERCIAL PURCHASE AGREEMENT

314. Page 8 Date 01/24/2017

315. Property located at 608 East Drive, Chisholm, MN
316. **ENTIRE AGREEMENT:** This Purchase Agreement and any addenda or amendments signed by the parties shall
317. constitute the entire agreement between Buyer and Seller. Any other written or oral communication between Buyer and
318. Seller, including, but not limited to, e-mails, text messages, or other electronic communications are not part of this
319. Purchase Agreement. This Purchase Agreement can be modified or canceled only in writing signed by Buyer and
320. Seller or by operation of law. All monetary sums are deemed to be United States currency for purposes of this Purchase
321. Agreement.
322. **ELECTRONIC SIGNATURES:** The parties agree the electronic signature of any party on any document related to this
323. transaction constitute valid, binding signatures.
324. **FINAL ACCEPTANCE:** To be binding, this Purchase Agreement must be fully executed by both parties and a copy
325. must be delivered.
326. **SURVIVAL:** All warranties and representations in this Purchase Agreement shall survive the delivery of the deed or
327. contract for deed and be enforceable after the closing.
328. **OTHER:**
329. Property is being sold "AS IS" condition
330. Seller's ability to sell the Property is subject to the following, pursuant to which Seller may delay Closing or cancel this Purchase Agreement. In the event that Sellers cancels this Purchase Agreement, this Purchase Agreement shall become null and void and the earnest money returned to the Buyer and Seller shall have no other liability to the Buyer.
331. (a) The sale of the Property is subject to the Minnesota Public Utilities Commission's prior approval on terms that are acceptable to Seller. Seller shall use commercially reasonable efforts to obtain such
332. approval on or about October 15th, 2017.
333. (b) The Property is subject to a Mortgage and Deed of Trust dated September 1, 1945, as supplemented, in favor of the Bank of New York (formerly Irving Trust Company) which is a first lien on the Property. Seller shall use commercially reasonable efforts to obtain a release of the Property from this mortgage on
334. or about October 15th, 2017.
335. Both parties agree to delete line 290-301 Condemnation Provisions and lines 302-33 Mutual Indemnifications and replace with the following language:
336. If, prior to the closing date, condemnation proceedings are commenced against all or any part of the property, Seller or Licensee representing or assisting Seller, shall immediately give Written notice to
337. Buyer, or licensee representing or assisting Buyer of such fact and either party may, at such party's option (to be exercised within 30 days after Seller's notice), declare this Purchase Agreement canceled by
338. Written notice to the other party or licensee representing or assisting such party, in which case this Purchase Agreement is canceled and neither party shall have further obligations under this Purchase Agreement, In the event the Purchase Agreement is cancelled, Buyer and Seller shall immediately sign a
339. written cancellation confirming such cancellation and directing all earnest money paid hereunder to be refunded to the Buyer. If neither party gives such Written notice, then Buyer shall be bound to proceed
340. with closing, subject to any other contingencies to this Purchase Agreement. In such event, there shall be no reduction in the purchase price, and Seller shall assign to Buyer at the closing date all of Seller's rights, title and interest in and to any award made or to be made in the condemnation proceedings.
341. Further, in such event, prior to the closing date, Seller shall not designate counsel, appear in, or otherwise act with respect to, the condemnation proceedings without Buyer's prior written consent.
342. **SELLERS WARRANTY:** Seller warrants that based on the findings of the Phase II environmental site investigation performed on the Property, which identified concentrations of pentachlorophenol and
343. polychlorinated biphenyls in the pole in the pole storage area. Seller has reported these soil sample detections to the Minnesota Pollution Control Agency and has identified Seller as he responsible party
- 344.
- 345.
- 346.





COMMERCIAL PURCHASE AGREEMENT

347. Page 9 Date 01/24/2017

348. Property located at 608 East Drive, Chisholm, MN

349. ADDENDA AND PAGE NUMBERING: Attached addenda are a part of this Purchase Agreement.

350. [ ] If checked, this Purchase Agreement is subject to
351. attached Addendum to Commercial Purchase
352. Agreement: Counteroffer.

353. FIRPTA: Seller represents and warrants, under penalty
354. of perjury, that Seller [ ] IS [X] IS NOT a foreign person (i.e., a
----- (Check one.) -----

355. non-resident alien individual, foreign corporation, foreign
356. partnership, foreign trust, or foreign estate for purposes
357. of incometaxation. (See lines 271-287.) This representation
358. and warranty shall survive the closing of the transaction
359. and the delivery of the deed.

360. SELLER

361. Minnesota Power a division of ALLETE Inc.

362. By: [Signature: Christopher E. Fleege]

363. Its: Christopher E. Fleege, Senior VP - MP Operations
(Title)

364. March 14, 2017
(Date)

BUYER

United Way of Northeastern Minnesota, Inc.

By: [Authentisign: Shelley Valentini]
3/15/2017 1:01:42 PM CDT

Its: Shelley Valentini / Executive Director
(Title)
03/15/2017

(Date)

365. SELLER

366. \_\_\_\_\_

367. By: \_\_\_\_\_

368. Its: \_\_\_\_\_
(Title)

369. \_\_\_\_\_
(Date)

BUYER

United Way of Northeastern Minnesota, Inc.

By: [Authentisign: Bruce Kingsley]
3/15/2017 12:44:40 PM CDT

Its: Bruce Kingsley
(Title)
03/15/2017

(Date)

370. FINAL ACCEPTANCE DATE: \_\_\_\_\_ The Final Acceptance Date
371. is the date on which the fully executed Purchase Agreement is delivered.

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

374. THIS MINNESOTA ASSOCIATION OF REALTORS® COMMERCIAL PURCHASE AGREEMENT IS NOT
375. DESIGNED TO BE AND IS NOT WARRANTED TO BE INCLUSIVE OF ALL ISSUES SELLER AND BUYER
376. MAY WISH TO ADDRESS, AND EITHER PARTY MAY WISH TO MODIFY THIS PURCHASE AGREEMENT
377. TO ADDRESS STATUTORY OR CONTRACTUAL MATTERS NOT CONTAINED IN THIS FORM.
378. BOTH PARTIES ARE ADVISED TO SEEK THE ADVICE OF AN ATTORNEY TO ENSURE
379. THIS CONTRACT ADEQUATELY ADDRESSES THAT PARTY'S RIGHTS.



January 18, 2017

Minnesota Power / ALETE,

Thank you for the opportunity to provide you with additional information regarding the sale of the property at 608 E Drive, Chisholm, Minnesota.

Commercial sales are always difficult in our area. We typically bring in commercial appraisers from other areas, who do not know our area or our dependence on the mining industry to help us 'understand' our properties values. We do have a couple of commercial appraisers in our area and it is important to understand that all appraisals, as well as Market Analysis's are simply an opinion, based on the facts of the market data, to provide a basis of property value. This opinion is mine. Please feel free to call me with any questions or concerns regarding this report.

I have attached an inventory of our current active listing market. We have ample active properties for sale in our area that have similar attributes of the subject property. Many with equal or greater office and warehouse space or areas that are easily adaptable to make equivalent.

Although our market data provides us with ample similar properties for sale, our inventory of what has sold in the last 12 months is lacking similar properties (or even last 18 months, as I tried to find a few a little further back than what an appraiser will utilize).

This is not an uncommon problem in our current economy. As you will see from the active sheet, when some of these properties last sold our economy was in a more favorable state as our mining industry was in a more favorable position that we are currently experiencing.

When our economy is being positively affected by the boost in the mining industry our commercial sales reflect it with a number of sales of buildings that are typically utilized by some mining related business, like yourself.

Subsequently, when our market is in a lower state, it is common for us to see more diversity in our commercial sales, like we are seeing now with our sold inventory.

Ironically that statistics are the same for commercial and residential from 1996 when our industry started collecting data on a database. When the worlds economy is down, our mining industry keeps us stable, and when the worlds economy is up, our mining industry keeps us stable. Since 1996 our property values across the residential and commercial properties hovers around a 1% change in average sales prices. (Typically averaging out around they cycles of the mines, rather than the national economy.)

**EXHIBIT B**

**It is exceptionally common in a buyers market, which our Range area is; to see sold prices significantly lower than the asking price, such as your current sale.**

**When we have only 5 sold commercial properties in our entire MLS in the last 12 months, none of which are comparable in function or use of the subject property, these analysis's are exceptionally difficult.**

**In my personal opinion with the ample inventory that is of similar function and use on the market, you are exceptionally lucky to get a willing and able buyer to give you an offer. I believe your properties value would be in the \$285,000 range simply because of your proximity to industry that would support the type of building that you have and the limited diversity that surrounds that economic situation. You do have an exceptionally well maintained and functional building that could handle a multitude of uses, and Chisholm is centrally located and somewhat close to HibbTac, however, that it is certainly putting all of the 'eggs in one basket' for a business that could effectively utilize and afford a building such as the one of the subject property.**

**We do have other industries that can put buildings like yours to use, similar to the one that is providing you with a sale; however, the 14 remaining similar active properties on the market tell me that those are far and few between.**

**Please refer to the research found attached to this document and thank you again for the opportunity to assist you with your Real Estate needs. Feel free to reach out to me regarding any of the research in this report and congratulations on the sale of your property.**

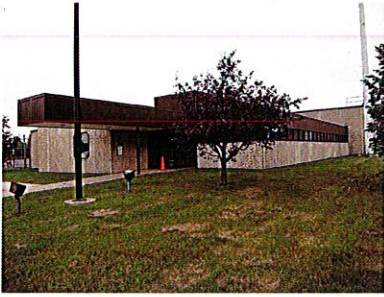
**Regards,**

**~Darcie Novak**



608 E Drive

**EXHIBIT B**  
Pending No More Showings



MLS #	<b>128032</b>	Asking Price	<b>\$549,900</b>
Price	<b>\$549,900</b>	Original Price	<b>\$650,000</b>
Area	<b>Chisholm</b>	Sold Price	
City	<b>Chisholm</b>	Days On Market	<b>357</b>
State	<b>MN</b>	How Sold	
Zip	<b>55719</b>	Type	<b>Commercial</b>
Business/Real Estate	<b>Real Estate &amp; Building</b>	Expiration Date	
		Listing Date	
		Agent Hit Count	<b>64</b>
		Client Hit Count	<b>7</b>

[Schedule a Showing](#)

**Quick Links:**



[Listing History](#)



[Documents \(if available\)](#)

[Virtual Tour: \*Virtual Tour\*](#)

**General**

Doing Business	<b>Service Center</b>	Year Built:	<b>1979</b>	Waterfront:	<b>0 - None</b>
Lot Size (LxW):	<b>500.00 X 300.00</b>	Section:	<b>19</b>	Waterfront Name:	
Irregular Lot Size (Y/N):	<b>Yes</b>	Township:	<b>20</b>	DNR Lake ID#:	
Leases Available:	<b>No</b>	Range:	<b>57</b>		

**Approximate Square Footage**

Lower:	<b>0</b>	Office:	<b>4,218</b>		
Main:	<b>11,500</b>	Basement:	<b>0</b>	% of Bsmnt Finished:	<b>0</b>
Upper:	<b>0</b>	Warehouse:	<b>7,282</b>		
Total Finished SQFT:	<b>11,500</b>				
Total SQFT:	<b>11,500</b>				

Inclusions:

**Directions/Legal/Remarks**

Directions: **Chisholm Industrial Park**

Legal: **Lots 4 thru 6, Chisholm Industrial Park**

Remarks: **Combination of office space and garage/warehouse. Fenced yard area / Parking lot / Large lot for additional expansion / Combination of office and heated garage/warehouse space. Four 7.4x18.10 and two 14x23.9 overhead doors. Propane aux. power generator / 3-phase electrical / In-floor scale. New HVAC in 2014. Replacement cost over 2.5 million. The sale is contingent upon approval by Minnesota Public Utilities Commissoin and ALLETE Inc. Board of Directors. Property is being sold AS IS condition.**

**Financing**

Real Estate Tax:	<b>17,004.00</b>	Year Due:	<b>2015</b>	Zoning:	<b>Ind.</b>
Special Assessments:	<b>No</b>	Assessment Remarks:			
Classified:	<b>Ind.</b>			PC #:	<b>020-0082-00040</b>

**Features**

EXTERIOR	<b>See Remarks</b>	ROAD FRONTAGE	<b>City Street</b>	COOLING	<b>Central Air, Gas</b>
CONSTRUCTION	<b>Concrete Prefab</b>	UTILITIES	<b>City Sewer, City Water,</b>	PARKING	<b>Parking Area, Garage, Paved, Five to Ten Cars</b>
ROOF	<b>Rubber</b>		<b>Electric, Gas</b>		
BASEMENT	<b>Slab</b>	POSSESSION	<b>Closing</b>	LOCATION	<b>Industrial Park</b>
MISCELLANEOUS	<b>Fencing, Handicap</b>				

**Agent Only Information**

Buyer Broker Comp.	<b>1.8</b>	List Ofc 1 - Ofc Name	<b>Perrella &amp; Associates</b>	Sell Ofc 1 - Ofc Name	
Facilitator Comp.	<b>1.8</b>	List Ofc 1 - Phone	<b>Main: 218-262-5582</b>	Sell Ofc 1 - Phone	
Owner(s)	<b>Minnesota Power</b>	Agent - Agt Name	<b>Greg Perrella</b>	Sell Agt 1 - Agt Name	
		Agent - Phone	<b>Home: 218-262-5582</b>	Sell Agt 1 - Phone	

Agent Remarks: Contact Greg for all showings

Seller Concessions (Y/N)

*This information is deemed reliable, but not guaranteed.*

01/18/2017 08:08 PM

**SOLD DATA-COMMERCIAL PROPERTIES SOLD OVER 200K IN LAST 12 MONTHS**

MLS #	Type	Address	City	DOM	Business/Real Estate	Original Price/Asking Price	Sold Price	Diff Orig/Sold Price	Assessed Value	Diff Sale Value	Value vs Assessed
128083	Commercial	7946 Pine Drive	Eveleth	160	Business & Real Estate	\$475,000	\$245,000	(\$230,000)	\$145,000		(\$100,000)
123925	Commercial	S20T58R17 Hwy 53	Virginia	708	Land Only	\$295,000	\$275,000	(\$20,000)	\$22,800		(\$252,200)
129339	Commercial	7466-7470 Britt Bypass	Britt	206	Real Estate & Building	\$425,000	\$350,000	(\$75,000)	\$291,000		(\$59,000)
127538	Commercial	1400 S 13th Avenue	Virginia	245	Real Estate & Building	\$499,000	\$499,000	\$0	\$20,000		(\$479,000)
128246	Commercial	10479 Waltz Road	Kabetogar	318	Business & Real Estate	\$595,000	\$560,000	(\$35,000)	\$216,000		(\$344,000)
<b>SUBJECT PROPERTY</b>											
128032	Commercial	608 E Drive	Chisholm	357	Real Estate & Building	\$650,000	\$300,000	(\$350,000)	\$439,300		\$139,300

**A FEW INTERESTING FACTS TO NOTE:**

When you look at the ACTIVE sheet nearly every one on the market is a similar property to the subject property (all but one); however, when you look at the SOLD inventory, none of the inventory is of a similar type of property to the subject.

Of the SOLDS on the market, all sold for significantly LESS than their original price and all were sold for a price significantly HIGHER than the assessed value of those properties; however, the subject property sold for more, a difficult indication of the value when the sold properties are so drastically different in building usage.

The difference between our active inventory, comprised of a multitude of 'similar use' buildings, likely to be occupied when our mines : running at top capacity is a sign of our economic market. We tend to see SOLD inventory that has a purpose not related to mining but rather diversity when our mining economy is suffering; similarly when our mines are active (see last sold price dates from active site we tend to see this type of inventory selling, and typically selling at a higher price point, classic supply and demand theory applied.



COMMERCIAL MARKET ANALYSIS RESEARCH



MLS #	Type	Area	Address	City	DOM	Business/Real Estate	Original Price	Asking Price	Assessed Value	Difference	Ask/Assessed	Last Sold Price	Yr Sold			
128522	Commercial	Hibbing	1612 E 40th st	Hibbing	358	Real Estate & Building	\$225,000	\$225,000	\$245,000	-	-\$20,000	-	-			
130410	Commercial	Virginia	110 1/2 W 15th Ave	Virginia	136	Real Estate & Building	\$229,000	\$229,000	\$129,000		\$100,000	\$175,000	2014			
130152	Commercial	Rural N Hibbing	VI 3114 Old Hwy 77	Tower	169	Real Estate & Building	\$229,900	\$229,900	\$152,000		\$77,900	\$155,000	2014			
128590	Commercial	Aurora/Hoyt	Lak 16 E 3rd Ave South	Aurora	349	Real Estate & Building	\$235,000	\$235,000	\$216,000		\$19,000	-	-			
126782	Commercial	Hibbing	12034 Hwy 169	Hibbing	608	Real Estate & Building	\$299,000	\$299,000	\$257,000		\$42,000	\$150,000	2006			
127543	Commercial	Virginia	TBD S 4th St	Virginia	526	Real Estate & Building	\$325,000	\$325,000	-		-	-	-			
130875	Commercial	Babbitt	9 Commerce Rd	Babbitt	61	Real Estate & Building	\$325,000	\$325,000	\$76,000		\$249,000	-	-			
130916	Commercial	Rural N Hibbing	VI 6953 Highway 169	Virginia	48	Real Estate & Building	\$329,000	\$329,000	\$336,000		-\$7,000	-	-			
128028	Commercial	Rural N Hibbing	VI 11057 Hwy 37	Hibbing	456	Real Estate & Building	\$349,900	\$349,900	\$328,000		\$21,900	\$435,000	2006			
130411	Commercial	Virginia	1406 S 4th Street	Virginia	136	Real Estate & Building	\$349,900	\$349,900	\$232,000		\$117,900	\$154,000	2016			
128642	Commercial	Cook/Orr	1907 Wood Road	Cook	339	Real Estate & Building	\$415,000	\$415,000	\$206,000		\$209,000	-	-			
128033	Commercial	Aurora/Hoyt	Lak 510 W 3rd Avenue	Aurora	461	Real Estate & Building	\$475,000	\$425,000	\$410,000		\$15,000	-	-			
130499	Commercial	Hibbing	1111 E 7th Ave	Hibbing	123	Real Estate & Building	\$650,000	\$650,000	\$565,000		\$85,000	-	-			
130594	Commercial	Hibbing	3127 E 14th Avenue	Hibbing	109	Real Estate & Building	\$679,900	\$679,900	\$672,000		\$7,900	\$750,000	2001			
130593	Commercial	Hibbing	3125 E 14th Avenue	Hibbing	109	Real Estate & Building	\$699,900	\$699,900	\$273,000		\$426,900	-	-			
<b>AVERAGES</b>							<b>\$384,433</b>	<b>\$292,643</b>	<b>\$91,790</b>	<b>\$303,167</b>	<b>**KEEP IN MIND OUR LOCAL ECONOMY WHEN THESE PROPERTIES SOLD</b>					
<b>SUBJECT PROPERTY</b>							<b>128032</b>	<b>Commercial</b>	<b>Chisholm</b>	<b>608 E Drive</b>	<b>Chishohi</b>	<b>357 Real Estate &amp; Building</b>	<b>\$650,000</b>	<b>\$549,900</b>	<b>\$439,300</b>	<b>\$110,600</b>



COMMERCIAL MARKET ANALYSIS RESEARCH

1612 E 40th st

**EXHIBIT B**  
**Active**



MLS # **128522**  
Price **\$225,000**  
Area **Hibbing**  
City **Hibbing**  
State **MN**  
Zip **57746**  
Business/Real Estate **Real Estate & Building**

**For Further Information:**

*Darcie R Novak*  
*Keller Williams Realty Professionals*  
*Office: 218-454-4300*  
*darcieproperties@gmail.com*

**Quick Links:**

Listing History    Documents (if available)    Virtual Tour:

**General**

Doing Business **Suburban Lanes**      Year Built: **1961**      Waterfront Name:  
Lot Size (LxW): **315.00 X 486.50**      Section: **19**      DNR Lake ID#:  
Irregular Lot Size (Y/N): **Yes**      Township: **57**  
Range: **20**

**Approximate Square Footage**

Lower: **0**      Office: **200**  
Main: **21,450**      Basement: **0**      % of Bsmnt Finished: **0**  
Upper: **0**      Warehouse: **21,250**  
Total Finished SQFT: **21,450**

**Directions/Remarks**

Directions: **Directly East of McDonalds on Hwy 37 Hibbing**

Remarks: **Fantastic Site on Major Highway 37 Frontage, Approx. 3 Acres of Blacktop Parking, over 20000 SF of Free Span building, & Unlimited Possibilities.**

**Financing**

Real Estate Tax: **9569.92**      Year Due: **2014**      Zoning: **C-3**  
Special Assessments: **No**  
Classified: **Comm**

**Features**

EXTERIOR CONSTRUCTION	<b>Brick, See Remarks</b>	HEAT	<b>Gas, Hot Water</b>
ROOF	<b>See Remarks</b>	PARKING	<b>Parking Area, Off Site Parking, Paved, Above Ten Cars</b>
BASEMENT	<b>Metal</b>	LOCATION	<b>See Remarks</b>
ROAD FRONTAGE	<b>Slab</b>	SHOW INSTRUCTIONS	<b>Appointment W/Office Key</b>
UTILITIES	<b>State Highway</b>	POSSESSION	<b>Closing</b>
	<b>City Sewer, City Water, Gas</b>	TYPE OF BUSINESS	<b>Business Opportunity</b>

**Additional Photos**



*This information is deemed reliable, but not guaranteed.*



110 1/2 W 15th Ave

EXHIBIT B  
Active



MLS # **130410**  
Price **\$229,000**  
Area **Virginia**  
City **Virginia**  
State **MN**  
Zip **55792**  
Business/Real Estate **Real Estate & Building**

For Further Information:

*Darcie R Novak*  
Keller Williams Realty Professionals  
Office: 218-454-4300  
darcieproperties@gmail.com

Quick Links:



Listing History



Documents (if available)

Virtual Tour:

General

Doing Business  
Lot Size (LxW): **165.00 X 100.00**  
Irregular Lot Size (Y/N): **No**

Year Built: **1976**  
Section: **7**  
Township: **58**  
Range: **17**

Waterfront Name:  
DNR Lake ID#:

Approximate Square Footage

Lower: **0**  
Main: **6,000**  
Upper: **0**  
Total Finished SQFT: **6,000**

Office: **1,200**  
Basement: **0**  
Warehouse: **4,800**

% of Bsmnt Finished: **0**

Directions/Remarks

Directions: **Off of Hoover road onto 4th street south take a left just after Rapid Rental, building is next to Prax-air**

Remarks: **Great building in great location off of Hwy 53 & Hwy 169 corridor. Good, solid building available for immediate occupancy. Currently has 2 bathrooms, 3 offices or 2 offices and a conference area. 17ft high ceilings in shop area with 14ft high door.**

Financing

Real Estate Tax: **4220**

Year Due: **2016**

Zoning: **Comm**

Special Assessments: **No**

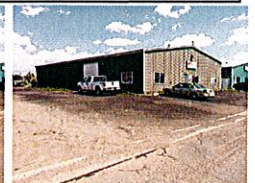
Classified: **Comm**

Features

EXTERIOR **Metal**  
CONSTRUCTION **Steel Frame**  
ROOF **Metal**  
BASEMENT **Slab, None**  
MISCELLANEOUS **Inside Storage, Outside Storage, Security System, Smoke Detectors**  
ROAD FRONTAGE **City Street**  
UTILITIES **City Sewer, City Water, Electric, Gas**

HEAT **Gas, Forced Air**  
COOLING **Central Air**  
PARKING **Parking Area, Five to Ten Cars**  
LOCATION **Industrial Park**  
SHOW INSTRUCTIONS **Appointment W/Office Key**  
POSSESSION **Closing, Negotiable**  
TYPE OF BUSINESS **Automotive Service, Warehouse**

Additional Photos



*This information is deemed reliable, but not guaranteed.*



16 E 3rd Ave South

EXHIBIT B  
Active



MLS # **128590**  
Price **\$235,000**  
Area **Aurora/Hoyt Lakes /Biwabik**  
City **Aurora**  
State **MN**  
Zip **55705**  
Business/Real Estate **Real Estate & Building**

For Further Information:

Darcie R Novak  
Keller Williams Realty Professionals  
Office: 218-454-4300  
darcieproperties@gmail.com

Quick Links:



Listing History



Documents (if available)

Virtual Tour:

General

Doing Business **Zup's Aurora**  
Lot Size (LxW): **707.00 X 647.00**  
Irregular Lot Size (Y/N): **Yes**

Year Built: **1950**  
Section: **10**  
Township: **58**  
Range: **15**

Waterfront Name:  
DNR Lake ID#:

Approximate Square Footage

Lower: **0**  
Main: **15,650**  
Upper: **0**  
Total Finished SQFT: **15,650**

Office: **0**  
Basement: **0**  
Warehouse: **0**

% of Bsmnt Finished: **0**

Directions/Remarks

Directions: **in town**

Remarks: **15,650 sq ft building sitting on well over 5 acres of land – right in the city limits of Aurora. Formerly run as a grocery store, great space inside and out! Deli with walk in cooler, freezer and kitchen area along with counter & display area, Meat department with work stations and walk in freezers and coolers, dairy area, produce areas and coolers and work space, managers office. Parking lot is 25,000 sq feet and Great Highway exposure of 5600 cars a day!**

Financing

Real Estate Tax: **9504**  
Special Assessments: **No**  
Classified: **233**

Year Due: **2016**

Zoning: **n**

Features

EXTERIOR **Metal, Partial Brick**  
CONSTRUCTION **Steel Frame**  
ROOF **Metal**  
BASEMENT **None**  
MISCELLANEOUS **Fire Alarm, Handicap Accessible, Inside Storage, Security Lighting, Smoke Detectors**  
ROAD FRONTAGE **City Street, County Highway**  
UTILITIES **City Sewer, City Water**

HEAT **Gas, Forced Air**  
COOLING **Central Air**  
PARKING **Parking Area, Paved, Above Ten Cars**  
LOCATION **Corner Lot, Freestanding**  
SHOW INSTRUCTIONS **Appointment W/Office Key**  
POSSESSION **Closing**

Additional Photos

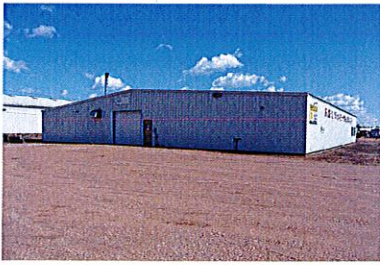


This information is deemed reliable, but not guaranteed.



9 Commerce Rd

EXHIBIT B  
Active



MLS # **130875**  
Price **\$325,000**  
Area **Babbitt**  
City **Babbitt**  
State **MN**  
Zip **55706**  
Business/Real Estate **Real Estate & Building**

For Further Information:

Darcie R Novak  
Keller Williams Realty Professionals  
Office: 218-454-4300  
darcieproperties@gmail.com

Quick Links:

Listing History Documents (if available) Virtual Tour: [Virtual Tour](#)

General

Doing Business **Non-Applicable** Year Built: **1996** Waterfront Name:  
Lot Size (LxW): **100.00 X 241.00** Section: **1** DNR Lake ID#:  
Irregular Lot Size (Y/N): **No** Township: **60**  
Range: **13**

Approximate Square Footage

Lower: **0** Office: **0**  
Main: **10,000** Basement: **0** % of Bsmnt Finished: **0**  
Upper: **0** Warehouse: **9,550**  
Total Finished SQFT: **10,000**

Directions/Remarks

Directions: **From Virginia head N on Hwy 53 to Hwy 169 towards Ely, turn right onto Hwy 21, continue straight into Babbitt, take a right on Babbit Road and a Left onto Commerce Road, follow to sign/address/building**

Remarks: **This is a solid building built to last. With 18" of concrete on the edges the original builder of this structure did it right. 2 separate man doors and a 12' garage door. This building features a separate lunch room, his and her bathrooms, Dual heat including 3=100000 BTU propane radiant heaters, wood boiler and electric supplement heat. A convenient BUSS electrical system to accommodate for any type of business. The seller has the capabilities to build to suit as well. Additional information can be found in virtual tour & under associate documents tab.**

Financing

Real Estate Tax: **2,421.00** Year Due: **2016** Zoning: **Com**  
Special Assessments: **Yes - See Remarks**  
Classified: **Comm**

Features

EXTERIOR CONSTRUCTION	<b>Steel</b>	HEAT	<b>Dual Fuel</b>
ROOF	<b>Steel Frame</b>	PARKING	<b>Parking Area, Above Ten Cars</b>
BASEMENT	<b>Metal</b>	LOCATION	<b>Industrial Park</b>
MISCELLANEOUS	<b>Slab</b>	DOCUMENTS ON FILE	<b>Aerial Map, See Remarks</b>
ROAD FRONTAGE	<b>Handicap Accessible, Inside Storage, Sprinkler System, See Remarks</b>	SHOW INSTRUCTIONS	<b>Appointment W/Office LB</b>
UTILITIES	<b>City Street</b>	POSSESSION	<b>Closing</b>
	<b>City Sewer, City Water, Electric, Gas</b>	TYPE OF BUSINESS	<b>Warehouse, See Remarks</b>

Additional Photos



This information is deemed reliable, but not guaranteed.



6953 Highway 169

EXHIBIT B  
Active



MLS # **130916**  
Price **\$329,000**  
Area **Rural N Hibb/Virginia/Hoyt Lks/Embarrass**  
City **Virginia**  
State **MN**  
Zip **55792**  
Business/Real Estate **Real Estate & Building Estate**

For Further Information:

Darcie R Novak  
Keller Williams Realty Professionals  
Office: 218-454-4300  
darcieproperties@gmail.com

Quick Links:

Listing History Documents (if available) Virtual Tour:

General

Doing Business  
Lot Size (LxW): **860.00 X 200.00**  
Irregular Lot Size (Y/N): **No**

Year Built: **2001**  
Section: **19**  
Township: **60**  
Range: **16**

Waterfront Name:  
DNR Lake ID#:

Approximate Square Footage

Lower: **0**  
Main: **9,600**  
Upper: **1,200**  
Total Finished SQFT: **10,800**

Office: **400**  
Basement: **0**  
Warehouse: **0**  
% of Bsmnt Finished: **0**

Directions/Remarks

Directions: **North out of Virginia. Highway 169. Property on left.**

Remarks: **Unlimited possibilities / Selling below assessed value! Former Vermilion Sports / 4.5 Acres / All steel building 80x120 with 10' walls / In-floor heat / Floor display area / 3 Offices / 2 baths / Shop / Fork lift included (\$15,000) / 1,200 mezzanine / Updated septic and well / BONUS - 3 bedroom home with new garage included. Possible owner financing for very qualified buyer.**

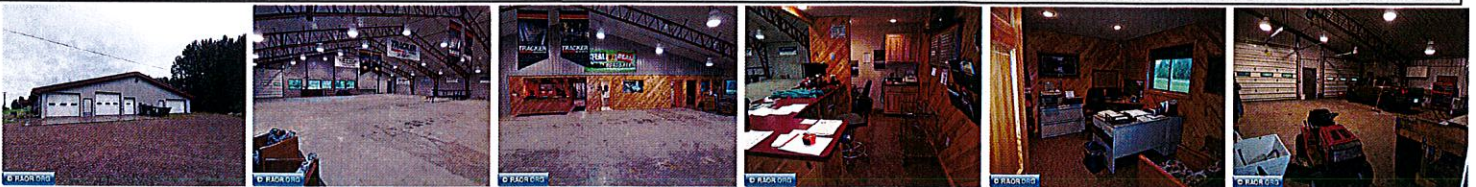
Financing

Real Estate Tax: **9000** Year Due: **2016** Zoning: **Com**  
Special Assessments: **No**  
Classified: **Com**

Features

EXTERIOR CONSTRUCTION	<b>Metal Steel Frame</b>	HEAT COOLING	<b>Dual Fuel, Electric, Propane, In-Floor Ceiling Fan</b>
ROOF	<b>Metal</b>	PARKING	<b>Parking Area, Garage, Off Site Parking, Gravel, Above Ten Cars</b>
BASEMENT	<b>Slab</b>	SHOW INSTRUCTIONS	<b>Appointment W/Office LB</b>
MISCELLANEOUS	<b>Handicap Accessible</b>	POSSESSION	<b>Closing</b>
ROAD FRONTAGE	<b>County Highway</b>		
UTILITIES	<b>Septic Tank, Water Well</b>		

Additional Photos

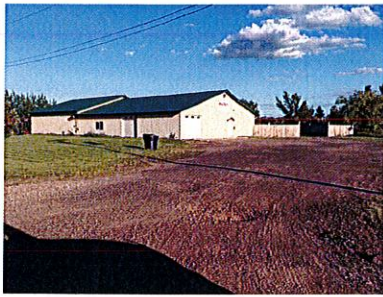


This information is deemed reliable, but not guaranteed.



1406 S 4th Street

EXHIBIT B  
Active



MLS # **130411**  
Price **\$349,900**  
Area **Virginia**  
City **Virginia**  
State **MN**  
Zip **55792**  
Business/Real Estate **Real Estate & Building**

For Further Information:

Darcie R Novak  
Keller Williams Realty Professionals  
Office: 218-454-4300  
darcieproperties@gmail.com

Quick Links:



Listing History



Documents (if available)

Virtual Tour:

General

Doing Business  
Lot Size (LxW): **1.33 X 1.33**  
Irregular Lot Size (Y/N): **Yes**

Year Built: **2005**  
Section: **7**  
Township: **58**  
Range: **17**

Waterfront Name:  
DNR Lake ID#:

Approximate Square Footage

Lower: **0**  
Main: **6,720**  
Upper: **0**  
Total Finished SQFT: **6,720**

Office: **1,000**  
Basement: **0**  
Warehouse: **5,720**

% of Bsmnt Finished:

Directions/Remarks

Directions: **Head East off of Hoover Rd headed towards Rapid Rental then go one block past Rapid Rental South side of rd.**

Remarks: **Great building in great location off of Hwy 53 & Hwy 169 corridor. Newer, solid building with in-floor slab heat. Overall average utility bill for the entire building is less than \$500/month. Can be subdivided for rental space, storage or single occupancy. Currently has 2 bathrooms, 3 offices & common area with full kitchen & conference area. Building is located on a lot that is 1.33 acre.**

Financing

Real Estate Tax: **8,436.00**

Year Due: **2016**

Zoning: **Comm**

Special Assessments: **No**

Classified: **Comm**

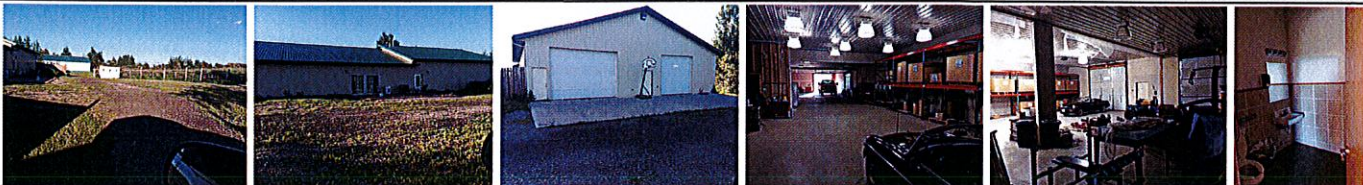
Features

EXTERIOR **Metal, Steel**  
CONSTRUCTION **Wood Frame**  
ROOF **Metal**  
BASEMENT **Slab, None**  
MISCELLANEOUS **Outside Storage, Smoke Detectors**  
ROAD FRONTAGE **City Street**  
UTILITIES **City Sewer, City Water, Electric, Gas**

HEAT  
COOLING  
PARKING  
LOCATION  
SHOW  
INSTRUCTIONS  
POSSESSION  
TYPE OF BUSINESS

**Gas, Hot Water, In-Floor  
Central Air  
Parking Area, Garage, Above Ten Cars  
Industrial Park  
Appointment W/Office Key  
Closing, Negotiable, Tenant Rights  
Automotive Service, Business Service, Warehouse,  
See Remarks**

Additional Photos



This information is deemed reliable, but not guaranteed.



1907 Wood Road

EXHIBIT B  
Active



MLS # **128642**  
Price **\$415,000**  
Area **Cook/Orr**  
City **Cook**  
State **MN**  
Zip **55723**  
Business/Real Estate **Real Estate & Building**

For Further Information:

Darcie R Novak  
Keller Williams Realty Professionals  
Office: 218-454-4300  
darcieproperties@gmail.com

Quick Links:

Listing History Documents (if available) Virtual Tour:

General

Doing Business **N/A** Year Built: **2006** Waterfront Name:  
Lot Size (LxW): **550.00 X 800.00** Section: **11** DNR Lake ID#:  
Irregular Lot Size (Y/N): **No** Township: **62**  
Range: **19**

Approximate Square Footage

Lower: **0** Office: **0**  
Main: **2,684** Basement: **0** % of Bsmnt Finished: **0**  
Upper: **0** Warehouse: **0**  
Total Finished SQFT: **2,684**

Directions/Remarks

Directions: **N of Cook, 1 mile, e on 115 to immediate L turn onto Wood road - Left at fire#1907**

Remarks: **Well maintained modern Commercial Building built in 2006. Has great amenities, high speed internet to 500 mg, wired with 2-200 amp service, low voltage Premis wiring, slab on grade, dual heat with in floor and forced air. Expansion capabilities with 10 acres to grow on. Large office area with 3 private offices, break room/kitchenette. Security system with good Hwy 53 visibility.**

Financing

Real Estate Tax: **6777.00** Year Due: **2016** Zoning: **MUN55**  
Special Assessments: **Yes - See Remarks**  
Classified: **NH**

Features

EXTERIOR CONSTRUCTION	<b>Partial Brick, Steel Steel Frame</b>	HEAT COOLING	<b>Dual Fuel, Electric, Propane, Forced Air, In-Floor Central Air</b>
ROOF	<b>Metal</b>	PARKING	<b>Paved, Above Ten Cars</b>
BASEMENT	<b>None</b>	LOCATION	<b>Freestanding</b>
MISCELLANEOUS	<b>Handicap Accessible</b>	POSSESSION	<b>Closing</b>
ROAD FRONTAGE	<b>County Highway</b>	TYPE OF BUSINESS	<b>Business Opportunity, See Remarks</b>
UTILITIES	<b>Electric, Gas, Septic Tank, Water Well</b>		

Additional Photos

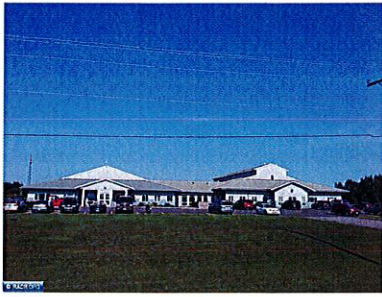


This information is deemed reliable, but not guaranteed.



1111 E 7th Ave

EXHIBIT B  
Active



MLS # **130499**  
Price **\$650,000**  
Area **Hibbing**  
City **Hibbing**  
State **MN**  
Zip **55746**  
Business/Real Estate **Real Estate & Building**

For Further Information:

*Darcie R Novak*  
Keller Williams Realty Professionals  
Office: 218-454-4300  
darcieproperties@gmail.com

Quick Links:

Listing History Documents (if available) Virtual Tour:

General

Doing Business **N/A** Year Built: **1996** Waterfront Name:  
Lot Size (LxW): **500.00 X 500.00** Section: **7** DNR Lake ID#:  
Irregular Lot Size (Y/N): **Yes** Township: **57**  
Range: **20**  
**Approximate Square Footage**  
Lower: **0** Office: **8,000**  
Main: **23,580** Basement: **0** % of Bsmnt Finished: **0**  
Upper: **6,096** Warehouse: **22,000**  
Total Finished SQFT: **29,676**

Directions/Remarks

Directions: **13th St to 7th Ave East North to Ind Park**

Remarks: **Over 30,000 SF of Prime Manufacturing/Office/WHSE Space on 5.74 Acres in North Hibbing Industrial Park. Turnkey Building in Fantastic Shape. 12000 SF Blacktop Parking. Original Plans on File. Your Business Dream Starts Here!**

Financing

Real Estate Tax: **25,414** Year Due: **2016** Zoning: **I-1**  
Special Assessments: **No**  
Classified: **IND**

Features

EXTERIOR CONSTRUCTION	<b>Metal, Vinyl Wood Frame</b>	HEAT COOLING	<b>Gas, Forced Air, Three or More Unit(s) Central Air</b>
ROOF	<b>Asphalt</b>	PARKING	<b>Off Site Parking, Paved, Above Ten Cars, See Remarks</b>
BASEMENT	<b>Slab</b>	LOCATION	<b>Industrial Park</b>
MISCELLANEOUS	<b>Handicap Accessible, Inside Storage, Outside Storage, Security Lighting, Security System, Sprinkler System</b>	DOCUMENTS ON FILE	<b>Aerial Map, Plat Map, Survey, See Remarks</b>
ROAD FRONTAGE	<b>City Street</b>	SHOW INSTRUCTIONS	<b>See Agent Info</b>
LOADING DOCK	<b>Dock High</b>	POSSESSION	<b>Closing, Tenant Rights</b>
		TYPE OF BUSINESS	<b>See Remarks</b>

Additional Photos

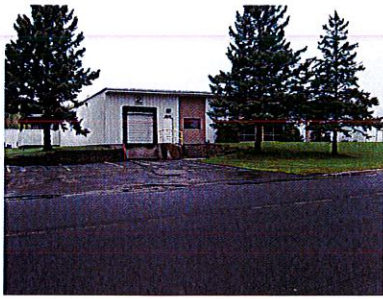


This information is deemed reliable, but not guaranteed.



3127 E 14th Avenue

**EXHIBIT B**  
**Active**



MLS # **130594**  
Price **\$679,900**  
Area **Hibbing**  
City **Hibbing**  
State **MN**  
Zip **55746**  
Business/Real Estate **Real Estate & Building**

**For Further Information:**

*Darcie R Novak*  
*Keller Williams Realty Professionals*  
*Office: 218-454-4300*  
*darcieproperties@gmail.com*

**Quick Links:**

Listing History Documents (if available) Virtual Tour: [Virtual Tour](#)

**General**

Doing Business **Previous Electronics Mfg.** Year Built: **1982** Waterfront Name: **None**  
Lot Size (LxW): **200.00 X 100.00** Section: **19** DNR Lake ID#:   
Irregular Lot Size (Y/N): **No** Township: **20**  
Range: **57**

**Approximate Square Footage**

Lower: **0** Office: **5,000**  
Main: **20,000** Basement: **0** % of Bsmnt Finished: **0**  
Upper: **0** Warehouse: **15,000**  
Total Finished SQFT: **20,000**

**Directions/Remarks**

Directions: **Hibbing Industrial Park**

Remarks: **High quality 20,000 s.f. building in Hibbing Industrial Park. 2 newer GFA. Central Air. Slab on grade. Limited pillars allow for many configurations. Loading dock. Included in price is the South 1/2 of the parking lot between buildings 1 & 2. Possible owner financing to well qualified buyer.**

**Financing**

Real Estate Tax: **27836.00** Year Due: **2016** Zoning: **Com**  
Special Assessments: **No**  
Classified: **Com**

**Features**

EXTERIOR CONSTRUCTION	<b>Steel</b>	HEAT	<b>Gas, Forced Air</b>
ROOF	<b>Steel Frame</b>	COOLING	<b>Central Air</b>
BASEMENT	<b>Metal</b>	PARKING	<b>Parking Area</b>
MISCELLANEOUS	<b>Slab</b>	LOCATION	<b>Industrial Park</b>
ROAD FRONTAGE	<b>Handicap Accessible</b>	SHOW INSTRUCTIONS	<b>Appointment W/Office LB</b>
LOADING DOCK	<b>City Street</b>	POSSESSION	<b>Closing</b>
UTILITIES	<b>Dock High</b>		
	<b>City Sewer, City Water</b>		

**Additional Photos**



*This information is deemed reliable, but not guaranteed.*



3125 E 14th Avenue

EXHIBIT B  
Active



MLS # **130593**  
Price **\$699,900**  
Area **Hibbing**  
City **Hibbing**  
State **MN**  
Zip **55746**  
Business/Real Estate **Real Estate & Building**

For Further Information:

*Darcie R Novak*  
Keller Williams Realty Professionals  
Office: 218-454-4300  
darcieproperties@gmail.com

Quick Links:

Listing History Documents (if available) Virtual Tour: [Virtual Tour](#)

General

Doing Business **Previous electronics mfg.** Year Built: **1980** Waterfront Name:  
Lot Size (LxW): **200.00 X 100.00** Section: **19** DNR Lake ID#:  
Irregular Lot Size (Y/N): **No** Township: **20**  
Range: **57**

Approximate Square Footage

Lower: **0** Office: **8,000**  
Main: **20,000** Basement: **0** % of Bsmnt Finished: **0**  
Upper: **0** Warehouse: **12,000**  
Total Finished SQFT: **20,000**

Directions/Remarks

Directions: **Hibbing Industrial Park**

Remarks: **High quality 20,000 s.f. building in Hibbing Industrial Park. 2 GFA and 2 Central Air units. Slab on grade. Building consists of reception area, office and warehouse space. Limited pillars allow for many configurations. Front has a drive-down loading dock that has been filled in. Easily can be open up (Overhead door has been retained). Included in price is the North 1/2 of the parking lot between buildings 1 & 2. Possible owner financing to well qualified buyer.**

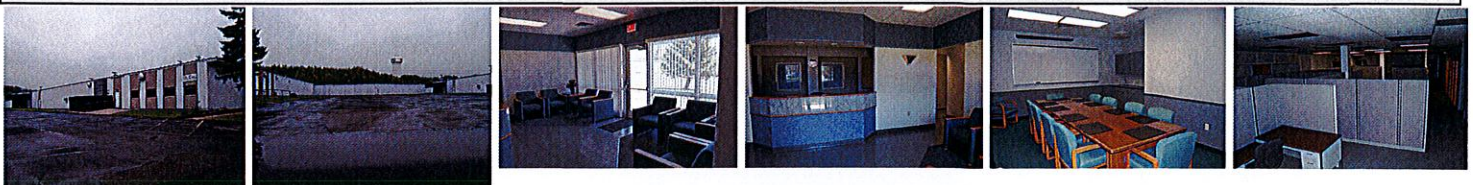
Financing

Real Estate Tax: **9838.00** Year Due: **2016** Zoning: **Com**  
Special Assessments: **No**  
Classified: **Com**

Features

EXTERIOR CONSTRUCTION	<b>Steel Steel Frame</b>	HEAT COOLING	<b>Gas, Forced Air Central Air</b>
ROOF	<b>Metal</b>	PARKING	<b>Parking Area, Paved</b>
BASEMENT	<b>Slab</b>	SHOW INSTRUCTIONS	<b>Appointment W/Office LB</b>
MISCELLANEOUS	<b>Handicap Accessible</b>	POSSESSION	<b>Closing</b>
ROAD FRONTAGE	<b>City Street</b>		
LOADING DOCK	<b>Lowered</b>		
UTILITIES	<b>City Sewer, City Water, Gas</b>		

Additional Photos



*This information is deemed reliable, but not guaranteed.*

Range Realty Group LLC

EXHIBIT B

# Invoice

111 Station 44 Road, Suite 113  
Eveleth, MN 55734

Date	Invoice #
1/18/2017	1001

Bill To
ALETE Inc. 30 West Superior Street Duluth, MN 55802

P.O. No.	Terms	Project

Quantity	Description	Rate	Amount
1	Commercial Market Analysis	400.00	400.00
Thank you for your business.			<b>Total</b> \$400.00

**Minnesota Power**

**Sale of Chisholm Service Center Land and Building to the United Way of Northeastern Minnesota, Inc.**

**Summary of Estimated Entries as of September 30, 2017**

**Entry #1 - To record removal of the Original Installed Cost for Assets Sold by Minnesota Power to United Way of Northeastern Mini**

Debit Account 102 Electric Plant Purchased or Sold	1,565,595.38	
Credit Account 101 Electric Plant In-Service - Owned		Account 3890
Credit Account 101 Electric Plant In-Service - Owned		Account 3900
		10,870.42
		1,554,724.96

**Entry #2 - To record the removal of the Estimated Accumulated Depreciation through 9/30/17 for Assets Sold by Minnesota Power**

Debit Account 108 Electric Depreciation Reserve	Account 3900	861,061.46
Credit Account 102 Electric Plant Purchased or Sold		861,061.46

**Entry #3 - To record cash received for Assets Sold by Minnesota Power to United Way of Northeastern Minnesota, Inc.**

Debit Account 131 Cash	300,000.00	
Credit Account 102 Electric Plant Purchased or Sold		300,000.00

**Entry #4 - To record Loss on Sale of Assets by Minnesota Power to United Way of Northeastern Minnesota, Inc. - using Estimated A**

STATE OF MINNESOTA     )  
  ) ss  
COUNTY OF ST. LOUIS     )

AFFIDAVIT OF SERVICE VIA  
ELECTRONIC FILING

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Jodi Nash, of the City of Duluth, County of St. Louis, State of Minnesota, says that on the 1<sup>st</sup> day of June, 2017, she served Minnesota Power's Petition on the Minnesota Public Utilities Commission and the Energy Resources Division of the Minnesota Department of Commerce via electronic filing. All other parties were served as designated on the attached service list.



---

Jodi Nash



First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	GEN_SL_Minnesota Power_Minnesota Power General Service List
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