

The following is a sample of a possible Purchase Agreement for the sale of Wetland Banking Credits. This Purchase Agreement does not necessarily cover all of the issues that would be important to Sellers and Buyers, nor does it address the terms that would be appropriate for any particular transaction. Sellers and Buyers should obtain the services of qualified legal counsel to adapt this Purchase Agreement to meet their specific needs.

PURCHASE AGREEMENT FOR WETLAND BANKING CREDITS

THIS AGREEMENT is made this 30th day of March, 20 18 between
Dan Zemet (Seller) and CITY OF DULUTH MN (Buyer).

1. Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller, the wetland banking credits (Credits) listed below:

Credits to be Sold					
Credit Subgroup	Wetland Type/Plant Community Type		Cost per Credit	Credit Amounts	
A	FRESH (WET) MEADOW		65,340	0.4747	
B	SHRUB Carr / ALDER THICKET		65,340	0.4747	
Per Credit Withdrawal Fee by BSA			Total Cost:	62,032.50	Total Credits: 0.9494
Enter the Withdrawal Fee for the BSA of the account:			(Withdrawal Fee x total credits)		
BSA 1 \$520	BSA 6 \$1,083	<u>\$ 520</u>	Withdrawal Fee:	493.69	
BSA 2 \$371	BSA 7 \$1,992	Easement Stewardship Fee:			
BSA 3 \$725	BSA 8 \$2,577	(Easement Stewardship fee x total credits)			
BSA 4 \$1,412	BSA 9 \$2,628	<u>\$302 per credit</u>	Stewardship Fee:	286.72	
BSA 5 \$685	BSA 10 \$3,099	Total Fees:			780.41

BWSR fee policy: http://www.bwsr.state.mn.us/wetlands/wetlandbanking_fee_and_sales_data/Wetland_Banking_Fee_Policy_Effective_June1_2017.pdf

2. Seller represents and warrants as follows:
 - a) The Credits are deposited in an account in the Minnesota Wetland Bank administered by the Minnesota Board of Water and Soil Resources (BWSR) pursuant to Minn. Rules Chapter 8420.0700-.0760.
 - b) Seller owns the Credits and has the right to sell the Credits to Buyer.

3. Buyer will pay Seller a total of \$ 62,032.50 for the Credits, as follows:
- a) \$ 0 as earnest money, to be paid when this Agreement is signed; and
 - b) The balance of \$ 62,032.50 to be paid on the Closing Date listed below.
4. ☐ Buyer, ☒ Seller agrees to pay to a withdrawal fee of \$ 780.41 to the State of Minnesota based on the per credit fee of 520 for Bank Service Area / and a stewardship fee of \$ 286.72 based on the per credit fee of \$ 302. At the Closing Date, ☐ Buyer, ☒ Seller will execute a check made out for this amount, payable to the Board of Water and Soil Resources.
5. The closing of the purchase and sale shall occur on _____, 20 18 (Closing Date) at _____. The Closing Date and location may be changed by written consent of both parties. Upon payment of the balance of the purchase price, Seller will sign a fully executed Transaction Form to Withdraw Credits provided by BWSR, provide a copy of the Transaction Form to Withdraw Credits to the Buyer and forward the same to the BWSR along with the check for the withdrawal fee and stewardship fee.
6. Buyer has applied or will apply to _____ (Local Government Unit (LGU) or other regulatory authority) for approval of a replacement plan utilizing the Credits as the means of replacing impacted wetlands. If the LGU has not approved the Buyer's application for a replacement plan utilizing the Credits by the Closing Date, and no postponement of the Closing Date has been agreed to by Buyer and Seller in writing, then either Buyer or Seller may cancel this Agreement by giving written notice to the other. In this case, Seller shall return Buyer's earnest money, and neither Buyer nor Seller shall have any further obligations under this Agreement. If the LGU has approved the replacement plan and the Seller is ready to proceed with the sale on the Closing Date, but Buyer fails to proceed, then the Seller may retain the earnest money as liquidated damages.

 3.30.18
(Signature of Seller) (Date)

(Signature of Buyer) (Date)