

EXHIBIT 1

AMENDMENT TO PURCHASE AGREEMENT

THIS AMENDMENT TO PURCHASE AGREEMENT (this "Amendment") is entered into this 1 day of May, 2024, by and between JAMES D. MCCAULEY, an unmarried person ("Seller"), and the CITY OF DULUTH, a Minnesota municipal corporation and political subdivision ("City" or "Buyer"). City and Seller are collectively referred to in this Amendment as the "Parties."

WHEREAS, City and Seller entered into a Purchase Agreement dated April 22, 2024, in which City agreed to purchase certain property from Buyer (the "Original Purchase Agreement"). Capitalized terms used in this Amendment, but not defined herein, shall have the definitions assigned to them in the Original Purchase Agreement.

WHEREAS, the Parties wish to amend the Original Purchase Agreement to (i) re-allocate the responsibility of payment of taxes in all years prior to the year of Closing and (ii) extend the Closing Date.

NOW, THEREFORE, in consideration of the mutual benefits contained herein, the Parties agree to amend the Original Purchase Agreement as follows:

1. Paragraph 3.0 of the Original Purchase Agreement is amended and replaced in its entirety with the following paragraph 3.0:

*3.0 Closing Date. The closing of the purchase and sale contemplated by this Agreement (the "**Closing**") shall occur May 31, 2024, or such earlier date as may be agreed upon by the parties (the "**Closing Date**"). The Closing shall take place at the office of First American Title Insurance Company-Consolidated Title & Abstract Company ("**Title**") in Duluth, Minnesota, or at such other place as the parties shall mutually agree upon. Seller shall deliver possession of the Property to Buyer on the Closing Date. Buyer shall be entitled to walk through the Property on the Closing Date to ensure that the condition of the Property has not materially changed since the Effective Date.*

2. Paragraph 8.0 of the Original Purchase Agreement is amended and replaced in its entirety with the following paragraph 8.0:

8.0 Real Estate Taxes and Special Assessments. At the Closing, Buyer shall pay all real estate taxes and special assessments (with the exception of City Assessments, as defined and addressed below) payable therewith and any penalties and interest thereon due and payable with respect to the Property in all years prior to the year of Closing, including all deferred taxes attributable to years prior to the year of Closing. Buyer shall also pay all real estate taxes and special assessments payable as to the Property for the year 2024 and in the years following the year of Closing. Notwithstanding the above, all assessments against the Property that have been assessed by the City of Duluth, plus associated administrative fees, penalties, and

interest (collectively, the “City Assessments”), will not be due and payable at the Closing as City intends to write off the City Assessments at or after the Closing. If the Closing does not occur for any reason, City will not write off the City Assessments nor pay for any real estate taxes and special assessments payable for any years prior to Closing or any time thereafter.

3. Except as specifically amended pursuant to this Amendment, the Original Purchase Agreement shall remain in full force and effect. In the event of a conflict between the provisions of this Amendment and the provisions of the Original Purchase Agreement, the provisions of this Amendment shall govern.

4. The Parties represent to each other that the execution of this Amendment has been duly and fully authorized by their governing bodies or boards, that the officers of the parties who executed this Amendment on their behalf are fully authorized to do so, and that this Amendment when thus executed by said officers of said parties on their behalf will constitute and be the binding obligation and agreement of the parties in accordance with the terms and conditions hereof.

[Remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have hereunto set their hands the day and date first shown below.

CITY OF DULUTH

JAMES D. MCCAULEY, an unmarried person

By: _____
Mayor

By: *James D McCauley*

Attest: _____
City Clerk

Printed Name: *James D McCauley*

Date: *1 - May - 2024*

Dated: _____

Countersigned:

City Auditor

Approved as to form:

City Attorney