

ADDENDUM TO PURCHASE AGREEMENT Potlatch Land

Attached to and thereby made a part of that certain Purchase Agreement for property located and described on Page 1 of the Purchase Agreement, by and between Seller and the undersigned Buyer or Assigns.

1. **Addendum Supersedes any Agreement.** To the extent any of the terms in this Addendum to Purchase Agreement are inconsistent with the Purchase Agreement; the terms of this Addendum to Purchase Agreement shall govern.
2. **Earnest Money.** The earnest money shall be deposited into the trust account of Close-Converse Commercial & Preferred Properties or Complete Title Services within seventy-two hours of receipt or the final acceptance date, whichever is later.
3. **Closing.** Unless otherwise agreed to in writing by the parties, the closing shall be conducted by Complete Title Services, LLC (title company) 14275 Golf Course Drive, Suite 200, Baxter MN 56425 on or before the closing date or any extensions thereof. Buyer will be contacted by Complete Title with closing details.
4. **Closing Date.** Seller represents and Buyer acknowledges that Seller may use the proceeds from this transaction for an IRC 1031 tax deferred exchange. To accommodate Seller's need to aggregate closings, the closing of this transaction will take place on or before the date specified on Line 29 of the Vacant Land Purchase Agreement, at Seller's discretion.
5. **Acceptance.** Buyer understands and agrees that this Purchase Agreement is subject to corporate approval and acceptance by Seller in writing.
6. **Removal of Personal Property and Debris.** Seller is not obligated to remove any personal property not included with sale or debris, including slash as a result of Seller's logging operations, if any, from the property.
7. **As-Is, Where-Is Condition.** Buyer acknowledges and agrees that the Property is being conveyed in its current As-Is, Where-Is condition with no representations on the part of Seller as to the condition or suitability of the Property for a particular purpose. Buyer shall have the right to inspect the property or to have it inspected by a person of Buyer's choice prior to closing and at Buyer's expense. Settlement is final. It is understood and agreed that Buyer accepts the property "As-Is. This provision shall survive delivery of the deed.
8. **Representations and Warranties by Seller.** The representations and warranties of Seller contained in this Agreement must be true now and on the Closing Date as if made on the Closing Date and Seller shall have delivered to Buyer at Closing a certificate dated the Closing Date, signed by an authorized representative of Seller, certifying that such representations and warranties are true as of the Closing Date. Seller represents and warrants to Buyer as follows:
 - A. **Title to Real Property.** Seller owns the Real Property and, on the date of closing, such Real Property shall be free and clear of all encumbrances and subject to the following exceptions:
 - i. assessments agreed to by both Buyer and Seller to be assumed by the Buyer,
 - ii. Lack of access. In the event the Property does not have access to a public road, where practical, Seller will endeavor to provide access through adjoining property owned by Seller. Access across ownership other than Seller will be the sole responsibility of Buyer,
 - iii. Encroachments. Encroachments, overlaps, boundary line disputes and any other matter which would be disclosed by an accurate survey and inspection of Property.
 - B. **Environmental Laws.** To the best of the Seller's actual knowledge and without any independent investigation or inquiry by Seller, no hazardous waste, toxic waste or solid waste substances have been treated, stored, released or disposed of on the Property, no condition on the Property that could give rise to environmental liability, no asbestos containing material is located on the Property and the Property does not

now contain or has it in the past contained an underground storage tank, as that term is defined in Minnesota Statute §116.46, Subd.8. except as herein noted **NONE**

C. **FIRPTA.** Seller is not a “foreign person”, “foreign partnership”, “foreign trust” or “foreign estate” as those terms are defined in Section 1445 of the Internal Revenue Code.

D. **Proceedings.** There is no action, litigation, investigation, condemnation or proceeding of any kind pending or to Seller’s knowledge, threatened against Seller affecting any portion of the Property except as described below: **NONE**

9. **Representations and Warranties by Buyer.** Buyer, if an entity other than a real person, represents and warrants to Seller that Buyer is duly organized and is in good standing under the laws of the State of Minnesota; that Buyer is duly qualified to transact business in the State of Minnesota; that Buyer has the requisite power and authority to enter into this Agreement and the Buyer’s Closing Documents signed by it; such documents have been duly authorized by all necessary action on the part of Buyer and have been duly executed and delivered; that the execution and delivery and performance by Buyer of such documents do not conflict with or result in violation of Buyer’s Articles of Organization or Operating Agreement or any judgment, order or decree of any court or arbiter to which Buyer is a party; such documents are valid and binding obligations of Buyer, and are enforceable in accordance with their terms. Buyer will indemnify Seller, its successors and assigns, against, and will hold Seller, its successors and assigns, harmless from, any expenses or damages, including reasonable attorneys’ fees, that Seller incurs because of the breach of any of the above representations and warranties, whether such breach is discovered before or after Closing. Consummation of this Agreement by Seller with knowledge of any such breach by Buyer will not constitute a waiver or release by Seller of any claims due to such breach.

10. **Prorations.** Included with any of the prorations stated elsewhere in this Agreement, Seller and Buyer agree to the following prorations and allocation of costs regarding the Agreement:

A. **Title Insurance and Closing Fee.** Lines 162 to 171 of the Vacant Land Purchase Agreement are amended as follows: **Form of Title Evidence:** Seller shall give evidence of title in the form of an owner’s commitment for title insurance in the amount of the purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Minnesota. Seller shall pay the costs of evidence for title for such title insurance commitment and Buyer shall pay the premium for the owner’s policy or any lender’s policy issued by the title insurance company, the title examination fee and the fee for any endorsements or other coverages requested by Buyer. Seller and Buyer will each pay one-half of any reasonable and customary closing fee or charge imposed by any closing agent designated by the Title Company.

The seller shall not be responsible for the cost of providing an abstract of title to the buyer. Buyer acknowledges that there is NO abstract of title for this transaction. Should the Buyer wish an abstract of title, said cost of an abstract of title shall be borne by the Buyer.

B. **Deed Tax.** Seller shall pay all state deed tax regarding the Deed to be delivered by Seller under this Agreement. Buyer shall pay all Mortgage Registry Tax regarding the recording of any mortgage securing Buyer’s loan.

C. **Recording Costs.** Seller will pay the cost of recording all documents necessary to place record title in the condition warranted and requested of Seller in this Agreement. Buyer will pay the cost of recording all other documents.

D. **Attorney’s Fees.** Each of the parties will pay its own attorney’s fees.

E. **Preparation of Documents.** Buyer and Seller shall pay for each of their respective documents required under this Agreement as is customary in the marketplace and determined by the closing company.

F. **Other Costs.** All other operating costs of the Property, if any, will be allocated between Seller and Buyer as of the Closing Date, so that Seller pays that part of such other operating costs payable before the Closing Date, and Buyer pays that part of such operating costs payable from and after the Closing Date.

11. **Captions.** The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

12. **Signatures & Counterpart.** This Agreement may be signed in counterpart by both Buyer and Seller.

13. **Section 1031 Exchange.** If Seller performs an IRC Section 1031 tax deferred exchange Buyer agrees to execute an Assignment Agreement at the request of the Seller at no additional cost or liability to Buyer.

If Buyer performs an IRC Section 1031 tax deferred exchange Seller agrees to execute an Assignment Agreement at the request of the Buyer at no additional cost or liability to Seller.

Seller and Buyer have executed this Purchase Agreement as of the date first written above. For the purposes of this Agreement, the final acceptance date (“Acceptance Date”) shall be the date signed or initialed by the last executing party.

Seller:

By: _____
Date

Its: _____

By: _____
Date

Its: _____

Buyer:

By: _____
Date

Its: _____

By: _____
Date

Its: _____